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Montana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 1990

A lifetime of adventures await the outdoor enthusiast in Montana. In the first eight months of 1990, nearly five million visitors viewed the dramatic scenery and unique environment of Glacier and Yellowstone National Parks. . . explored Montana's three million acres of premiere wilderness and range after range of rugged Rocky Mountains. . . and pursued the pleasures of "getting away from it all" at Montana's 80 recreation and state park areas.

Montana's 17,000 miles of rivers and streams provide the thrill of whitewater rafting and blue ribbon trout fishing. . . its 17 million acres of national forest land provide powder perfect snow for both downhill and cross-country skiing and thousands of miles of trails for the hiking and backpacking enthusiast. . . over 600 lakes and reservoirs provide ample opportunity for camping out under the stars, catching the "big one", waterskiing, sailing, boating and swimming.

Montana's wide-open spaces and unspoiled environment are a haven for wildlife. Such endangered and threatened species as the bald eagle, grizzly bear and trumpeter swan along with more abundant populations of deer, elk, moose, mountain goats, bighorn sheep, waterfowl and upland birds are found in their natural habitat at the seven national wildlife refuges in the State as well as Montana's national park, forest and wilderness areas.

A diversity of outdoor activities draw people to Montana . . . and its natural beauty and the warm hospitality of its people only add to the enjoyment of the experience.

Information provided by:

Conservation Education Division
of the Department of Fish, Wildlife & Parks

Cover Photograph provided by:

Montana Promotion Division of the
Department of Commerce

MONTANA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
for the fiscal year ended June 30, 1990

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SELECTED STATE OFFICIALS

EXECUTIVE

Stan Stephens
Governor

Allen Kolstad
Lieutenant Governor

JUDICIAL

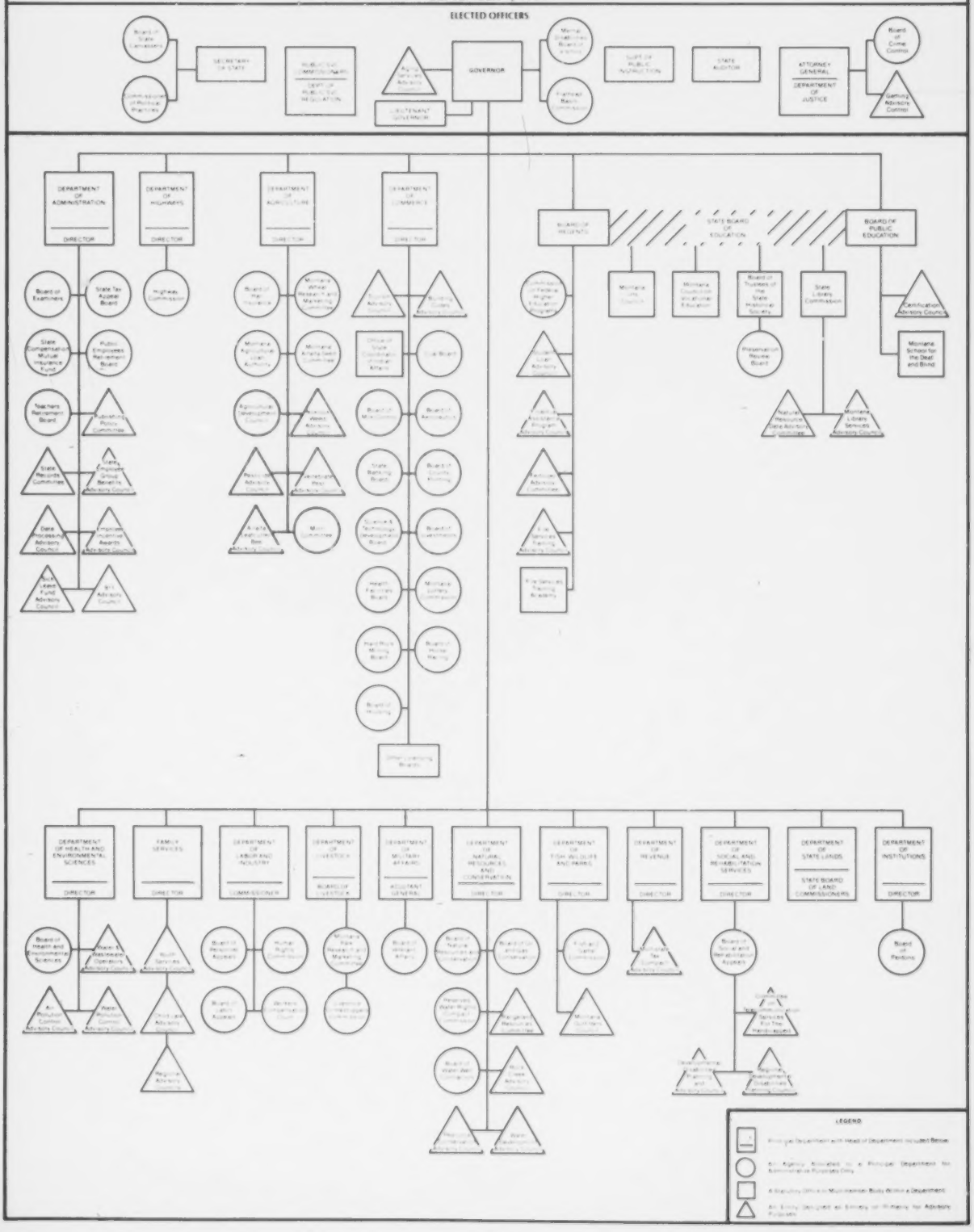
J. A. Turnage
Chief Justice

LEGISLATIVE

Jack Galt
President of the Senate

John Vincent
Speaker of the House

STATE OF MONTANA
ORGANIZATION OF THE EXECUTIVE BRANCH
SEPTEMBER 1, 1990



STATE OF MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1990

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DIRECTOR'S OFFICE

STAN STEPHENS, GOVERNOR

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STATE OF MONTANA

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HELENA, MONTANA 59620

November 16, 1990

To the Citizens, Governor and Members of the Legislature of the State of Montana:

In accordance with Section 17-2-110, Montana Code Annotated, the Comprehensive Annual Financial Report (CAFR) of the State of Montana for the fiscal year ended June 30, 1990, is hereby submitted. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation rests with the Department of Administration. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the State of Montana. All disclosures necessary to enable the reader to gain an understanding of the State's financial activities are included.

Description of the CAFR

This report and the accompanying financial statements and statistical tables were prepared in accordance with standards set forth by the Governmental Accounting Standards Board (GASB).

This CAFR is divided into three main sections: introductory, financial and statistical. The introductory section includes an organization chart for the State, a table of contents and this transmittal letter. The financial section contains the independent auditor's report, the general purpose financial statements, notes to the financial statements, and combining statements by fund type and other schedules. The statistical section includes financial, economic and demographic data.

The services provided by the State are administered through various agencies, boards and commissions. This report includes all funds and account groups of those entities controlled by or dependent on the State's legislative, executive or judicial branches. Entities meeting this criteria include legislative, executive, and judicial branch agencies; offices of state elected officials; state-owned universities, colleges and vocational-technical centers; boards and commissions appointed by one of the three branches of government; and the Montana Board of Housing, Health Facility Authority and Agricultural Loan Authority. Following is a list of organizations that do not meet the criteria for inclusion in this report, and consequently are excluded: community colleges; the Montana Higher Education Student Assistance Corporation; and private foundations supporting public education.

Economic Condition and Outlook

Montana is the fourth largest state in terms of land mass in the United States. The state shares an international boundary with Canada, and borders with North Dakota, South Dakota, Wyoming and Idaho. Lumbering and recreation are major sources of income in western Montana, and agriculture is the chief source of income in eastern Montana. Mineral and oil/gas exploration, extraction and processing, and governmental operations are important economic factors statewide.

During the 1980's Montana experienced periods of economic decline followed by slow growth. Major factors contributing to the declines included: one-time plant closures and pullout of the Anaconda Company; effects of a national recession; several consecutive years of generally dry weather conditions in the State; and the decline in oil prices. All of these factors adversely affected Montana's resource oriented economy.

Since early 1988, Montana has experienced sporadic economic growth. According to Paul E. Polzin, Director of the University of Montana Bureau of Business and Economic Research, this modest growth is attributable primarily to expansion in the metal mining and health care industries. In a report published this spring by the University of Montana Bureau of Business and Economic Research, Polzin predicts that Montana's economy will continue to lag behind the nation in terms of economic growth. From 1990 to 1992, Montana will grow at an average of 1.9 percent per year, compared to 3.0 percent for the nation.

Several recent events that may significantly affect Montana's future economic climate are the crisis in Iraq and changes in sulfur emission restrictions contained in the Federal Clean Air Act of 1990. The potential impact of these events on Montana's economy is related to the following factors:

1) The cost of a barrel of oil has doubled as a result of recent events in Iraq. It is estimated that for each $1 increase in the cost of a barrel of oil, Montana receives an additional $1 million in oil and gas taxes.

2) Increased restrictions on sulfur emissions from coal powered plants contained in the Clean Air Act of 1990 may increase the demand for Montana's low sulfur content coal. Increased coal production will result in greater excise and property tax revenue for Montana.

3) A sustained increase in oil costs may have a recessionary effect upon the national economy. In the past, a national recession has adversely affected Montana's economic climate.

Major Initiatives

For the Year. The 51st Legislature convened in January 1989. The major issue facing the Legislature was how to comply with the Montana Supreme Court's mandate for an equalized system of school funding. The Legislature was not able to resolve this issue during the 90-day regular session, and consequently convened for a 21-day special session. The result of the special session was a measure to increase the state funding of public schools from the current level of 58% to 78% beginning in the 1991 school year. The extra funding will come primarily from a 95-mill statewide property tax levy, that replaces the current 55 mills levied in most of the state, and a temporary 5% surtax on individual and corporate income taxes.

The Legislature also adopted a property tax relief measure during the special session. The measure reduces property taxes on business machinery to 9% from the current rate of up to 16%.

The 51st Legislature enacted the following other key initiatives:

-Expanded the Superfund Program, which addresses the need for cleanup and remedial actions at sites impacted by past actions involving the dumping of hazardous substances. Federal funding is provided for remedial activities at hazardous waste sites.

-Expanded the Job Training Partnership Act program to utilize additional federal funds available.

-Implemented the new federal Welfare Reform Act. The purpose of this program is to reduce the dependency of AFDC recipients upon public assistance.

-Authorized a $20 million General Fund appropriation to the Workers' Compensation Fund to offset an employer rate increase.

-Reorganized the State Workers' Compensation Division. The result is the creation of the State Compensation Mutual Insurance Fund, which is a nonprofit, independent public corporation established to provide employers with an option for insuring their liability for workers' compensation and occupation disease coverage.

-Implemented the Omnibus Budget Reconciliation Act, which mandates changes in the standards for delivery of nursing home care. Compliance with the mandates of this Act will significantly impact the State's medicaid costs for nursing homes.

-Implemented the Catastrophic Coverage Act of 1988, which expands medical coverage to low income elderly persons previously excluded from federal benefit programs.

-Approved a 2% increase for providers of medicaid and state medical services.

-Approved expansion of the Supported Employment Program, which is intended to assist severely disabled individuals in finding and maintaining suitable employment.

-Approved salary increases for developmental disabilities direct care service providers. The intent is to make their salaries comparable with those in similar positions at State institutions.

-Approved a rate increase for foster care providers.

-Approved expansion of the Montana Conservation Corps Program. This program provides work experience for unemployed or economically disadvantaged youth and adults, and results in improvements to State recreation areas.

-Approved increased funding for the State prison in response to the needs of the growing inmate population.

-Approved the addition of direct care staff needed at the Montana Developmental and Eastmont Human Services Centers to comply with medicaid requirements.

-Approved expansion of Montana's AIDS Program to utilize additional federal funding available. This program's objective is to detect and prevent the further spread of HIV infection in the State's population.

The major capital projects approved for fiscal years 1990 and 1991 include: (1) maintenance and development of State parks; (2) construction of a low security housing unit at the State prison; (3) construction of M-1 tank bays; (4) construction of an armory in Livingston; (5) work on phase II of the Montana State University electrical distribution system; (6) construction of a regional headquarters for the Department of Fish, Wildlife and Parks in Miles City; (7) construction and renovation of a fish hatchery; and (8) acquisition of wildlife habitat. Total funding approved for capital projects during the biennium is $27.2 million.

The Department of Highway's approved budget for fiscal years 1990 and 1991 reflects the continued emphasis on reconstruction and repair of the State's primary highway system. The Construction Program budget includes approximately a five percent increase above the approved budget for the previous biennium. The additional funding is provided by the increased fuel taxes approved by the previous Legislature.

Growing concerns regarding the effects of increasing workers' compensation insurance costs prompted Governor Stan Stephens to call for a special session of the legislature in May 1990. One significant result of this special session was the continuation of the workers' compensation payroll tax. This tax is imposed upon all employers in Montana and is equal to .28% of the employer's payroll. The payroll tax is earmarked to fund the payment of claims related to injuries resulting from accidents that occurred before July 1, 1990.

The Governor also initiated an executive branch review of all State programs for the purpose of identifying those services that the private sector could more efficiently and cost effectively provide. This initiative has resulted in the privatization of janitorial and security services for the Capitol complex area, and many data entry services previously provided by State employees.

For the Future. Montana's major initiatives and concerns continue to revolve around economic and social issues. Those issues of greatest concern include the following:

-Funding for the K-12 and higher education systems. The related issues include the equalization of funding for grades K-12 and funding for higher faculty salaries, and library and facility improvements within the University System.

-The declining property tax base and the establishment of an equitable valuation method.

-The State's ability to provide services for the disabled.

-Program options for the State's medical assistance programs.

-Funding for the State Highway Program which is projected to experience a deficit fund balance in the 1995 biennium.

-Affordable workers' compensation insurance for all employers.

-Funding for a market based State employees' compensation system.

-Alternatives and funding for Montana's correctional system and health and environmental programs.

Montana voters soundly rejected two tax-related initiatives on the November 1990 ballot. A description of these initiatives follows:

-Constitutional Initiative 53 proposed amending Montana's constitution to prohibit the imposition of any income, property, or sales taxes and any registration, permit, or license fees on Montana businesses and residents. This initiative proposed replacing these revenue sources with a 1 percent trade charge on all financial transactions conducted wholly or partially in the state.

-Initiative 115 proposed statutorily increasing tax rates for cigarettes and other tobacco products. The revenue raised from these tax increases would fund health education and research programs.

Montana's 52nd Legislature will address many of these issues and concerns when it convenes in January 1991.

Financial Information

Montana's Statewide Budgeting and Accounting System (SBAS) is a centrally maintained, fully computerized, double-entry accounting system. SBAS records are computer edited.

Management of the State is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the State are protected from loss or misuse, and that adequate accounting data are compiled to allow for the preparation of financial statements in accordance with generally accepted accounting principles.

In developing and evaluating the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that the above objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary restrictions are imposed via appropriations approved by the legislature or established administratively as provided for by State law. Appropriations are required by State law for the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds. The level of budgetary control is generally established by program and fund. SBAS is designed to provide budgetary control by preventing spending in excess of legislative and administrative authority and/or available cash. SBAS also provides for encumbrance accounting as a technique for accomplishing budgetary control. Encumbered amounts lapse at year end.

General Governmental Functions

Revenue sources for general governmental functions, which include the General, Special Revenue, Debt Service, and Capital Projects Funds, increased 4.4% from fiscal year 1989 to fiscal year 1990. Revenues from various sources for fiscal year 1990, and the amount and percentage of increases and decreases in relation to prior year revenues are shown in the following table:

Revenue Source	1990 Amount (in thousands)	Percent of Total	Increase (Decrease) from 1989	Percent Increase (Decrease)
Licenses/Permits	$ 55,229	4.0%	$(8,846)	(13.8)%
Taxes	776,368	55.5	50,620	7.0
Charges for Services/Fines/Forfeits	56,929	4.1	2,462	4.5
Investment Earnings	37,263	2.7	3,245	9.5
Sale of Documents/Etc.	5,548	.4	2,628	90.0
Rentals/Leases/Royalties	363	-	(86)	(19.2)
Contributions/Premiums	3,199	.2	2,536	382.5
Grants/Contracts/Donations	8,473	.6	3,824	82.3
Federal	451,107	32.3	5,705	1.3
Federal Indirect Cost Recoveries	1,790	.1	(90)	(4.8)
Other Revenues	2,078	.1	(3,069)	(59.6)
Total Revenues	$1,398,347	100.0	$58,929	

An explanation of significant changes by revenue source follows:

Licenses/Permits - The decrease in revenue was primarily due to 1) the reclassification in fiscal year 1990 of $7.3 million of new vehicle tax collections from this category to Taxes; and 2) a change in statute that requires the deposit of approximately $1.5 million in liquor permit and license fees in the State Liquor Store Enterprise Fund instead of the General Fund.

Taxes - The increased revenue was primarily due to 1) additional individual income tax collections resulting from the imposition of a 5% surtax, phase-in provisions of the 1986 Federal Tax Reform Act, and an overall improvement in the economy; 2) a one-time increase in corporation tax collections of $15 million resulting from the imposition of an estimated tax filing requirement; and 3) the reclassification of new vehicle tax collections from the License/Permits category to Taxes.

Charges for Services/Fines/Forfeits - The increased revenue was primarily due to 1) additional reimbursements received by the Department of Highways for state, city and county road projects; and 2) damages collected in the Environmental Quality Protection Fund established by the 1989 Legislature.

Investment Earnings - The increased revenue was primarily due to a change in the yield on the Treasury cash account from 7.99% in fiscal year 1989 to 8.37% in fiscal year 1990.

Sale of Documents/Etc. - The increased revenue was primarily due to 1) sales of the Montana Code Annotated which occur every other year following a legislative session; and 2) sales of electricity generated by the State's Broadwater Hydroelectric Plant which began operation in fiscal year 1990. Revenue from the sales of the Montana Code Annotated and electricity from the Broadwater Hydroelectric Plant totaled approximately $1 million and $1.5 million, respectively.

Contributions/Premiums - The increased revenue was primarily due to a change in accounting for the unemployment insurance administration tax collections in fiscal year 1990. These collections, which totaled approximately $2 million in fiscal year 1990, were recorded in the Expendable Trust Fund in previous years and are now recorded in the Federal Special Revenue Fund.

Grants/Contracts/Donations - The increased revenue was a result of the State receiving settlements to mitigate the effects of hydro-power development on fish and wildlife and for the cleanup of the Clark Fork River.

Federal - The increased revenue was primarily due to the receipt of additional federal funding for the medical assistance programs administered by the Department of Social and Rehabilitation Services. This increase was offset by a decrease of approximately $7 million in the amount of federal funding received by the Department of Highways.

Other Revenue - The decrease in revenue was primarily due to 1) a reduction in insurance proceeds resulting from fewer State property losses exceeding the State's $150,000 deductible; and 2) a change in accounting for child support payments collected by the State in fiscal year 1990. Beginning in fiscal year 1990, child support payment collections are deposited in the Agency Fund rather than the General Fund.

Expenditures for general governmental functions increased 2.1% from fiscal year 1989 to fiscal year 1990. Expenditures by function for fiscal year 1990, and the amount and percentage of increases or decreases in relation to the prior year amounts are shown in the following table:

Expenditure Function	1990 Amount (in thousands)	Percent of Total	Increase (Decrease) from 1989	Percent Increase (Decrease)
General Government	$ 54,402	4.1%	$ 2,337	4.5%
Public Safety/Corrections	80,804	6.1	8,188	11.3
Transportation	259,438	19.5	21,611	9.1
Health/Social Services	405,008	30.4	13,151	3.4
Education/Cultural	335,865	25.2	(1,386)	(.4)
Resource Development/Recreation	55,100	4.1	(22,071)	(28.6)
Economic Development/Assistance	76,363	5.7	306	.4
Debt Service	31,854	2.4	91	.3
Capital Outlay	33,576	2.5	5,446	19.4
Total Expenditures	$1,332,410	100.0	$27,673	

An explanation of significant changes by expenditure function follows:

General Government - Expenditure increases were primarily due to the State's reimbursement of local governments for the loss of property tax revenue associated with the reduction of class 8 property tax rates. The reduced property tax rates and reimbursement requirement were enacted by the 51st Legislature.

Public Safety/Corrections - Expenditure increases were primarily due to 1) costs of approximately $2 million associated with manufacturing new vehicle license plates at the Montana State Prison; and 2) an increase of approximately $3.5 million in the amount of video gambling taxes collected and distributed to local governments.

Transportation - Expenditure increases were primarily due to major reconstruction and repair projects involving the state's primary highway system. These projects were funded from the Reconstruction Trust Fund, with bond proceeds comprising the primary revenue source.

Health/Social Services - Expenditure increases were primarily due to the expansion of medical assistance programs administered by the Department of Social and Rehabilitation Services. The cost increases were funded primarily through federal assistance.

Resource Development/Recreation - Expenditure decreases resulted from the incurrence of significant costs in fiscal year 1989 that did not occur in fiscal year 1990. These costs include 1) $12.4 million in emergency funds for fire suppression; and 2) $14 million for the completion of the Broadwater Hydroelectric Plant Project.

Capital Outlay - Expenditure increases were primarily due to 1) additional wildlife habitat acquisitions totaling $2.5 million by the Department of Fish, Wildlife and Parks; and 2) an additional $2.8 million in abandoned mine construction costs. The increased abandoned mine construction costs were funded with federal assistance.

General Fund Balance

The unreserved fund balance of the General Fund increased from $67.23 million at June 30, 1989, to $89.04 million at June 30, 1990. This represents an increase of $21.81 million, or 32 percent. This increase is primarily due to unanticipated increases in individual and corporate income tax revenues.

Projections for fiscal year 1991 indicate that General Fund expenditures will exceed revenue by approximately $30 million. If this projection proves accurate, the Governor and the 1991 Legislature will have to address the issue of how to balance General Fund revenues and expenditures in the 1992-1993 biennium.

Enterprise Operations

The State of Montana provides numerous goods and services to the public on a user charge basis, similar to a private business. Profits from two of these operations, the State Liquor Stores and the State Lottery, are used to fund other services provided by the State. Following is a summary of the operating results of these two entities in fiscal year 1990.

State Liquor Stores - The State regulates the sale, importation, distribution and manufacturing of alcoholic beverages in Montana. Any profits generated through the administration of this regulatory function, including those from the operation of State liquor stores, are transferred to the General Fund. In fiscal year 1990, $14 million was transferred to the General Fund, compared to $12.5 million in fiscal year 1989.

Liquor sales and excise and license taxes collected through this function remained approximately the same as in fiscal year 1989. Revenue from these sources totaled approximately $43.4 million in fiscal year 1990. Revenue in the State Liquor Stores Enterprise Fund increased from fiscal year 1989 to fiscal year 1990 by approximately $1.6 million as a result of a statutory change that required the deposit of liquor permit and license fees in this Fund rather than the General Fund. These permit and license fees are also transferred to the General Fund to support other State provided services. This change explains the increase in the amount of funds transferred from the Liquor Stores Enterprise Fund to the General Fund in fiscal year 1990.

State Lottery - The Montana State Lottery was created by the electorate through the passage of Referendum 100 during the 1986 general election. Profits generated by this operation are transferred to the Office of Public Instruction for distribution to local school districts.

In fiscal year 1990 the Lottery Program began offering a new product in hopes of increasing the number of participants in the Program. The new product, referred to as Lotto America, is provided through the State's membership in the Multi-state Lottery Association. This new product contributed to an increase in the profits of the Lottery Program from $2.775 million in fiscal year 1989 to $4.169 million in fiscal year 1990.

Pension Trust Fund Operations

The State contributes to nine retirement systems. The two largest systems in terms of dollars contributed and employees covered are the Public Employees' Retirement System and the Teachers' Retirement System. Approximately ninety-six percent of the employees covered by these nine retirement systems are enrolled in either the Public Employees' Retirement System or the Teachers' Retirement System.

The current actuarial evaluations for these systems continue to reflect a stable funding trend. Net assets of the State's Pension Trust Funds on a market basis totaled $1.7 billion ($1.5 billion at cost) at June 30, 1990, which represents a 10% increase on both a market and cost basis from June 30, 1989. The funding ratio for all funds combined continues to increase each year. On a market value basis, the overall funding ratio increased to 74% at June 30, 1990, from 72% at June 30, 1989. On a cost basis the funding ratio increased to 66% from 64% for that same period.

Debt Administration

Montana receives excellent bond ratings from both Moody's Investors Service (Aa) and Standard & Poor's Corporation (AA-). State debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by a favorable vote of a majority of the State's electors voting thereon. There is no constitutional limit on the amount of debt that may be incurred by the State. The Montana Constitution does, however, prohibit the incurring of debt to cover deficits caused by appropriations exceeding

anticipated revenue. General obligation debt decreased from $83.39 million at June 30, 1989, to $78.11 million at June 30, 1990.

The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are:

	Amount (in thousands)	Ratio of Debt to 1990 Assessed Value	Personal Income Debt Per Capita*
General Obligation Debt	$78,110	.30%	$96.91

* Based on 1989 estimated Montana population.

Cash Management

The uniform investment program established by the 1972 Montana Constitution directs that the Board of Investments has sole authority to invest State funds. The Board operates under the "prudent person principle" which requires the Board to 1) discharge its duties in the same manner as that of a prudent person acting in a like capacity with the same resources and aims; 2) diversify the holdings of each fund to minimize the risk of loss and maximize the rate of return; and 3) discharge duties solely in the interest of and for the benefit of the funds managed. Permissible investments include bonds, notes, debentures, equipment obligations, common stock (pension trust and higher education funds only), commercial paper, bankers acceptances, interest bearing deposits in Montana financial institutions, real estate and any other investment in a Montana business that continues existing jobs or creates new jobs. These investments are subject to statutory restrictions for quality and size of holdings. Approximately eighty-eight percent of the State's investments are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board, and all but two percent of the cash deposits were insured by federal depository insurance or collateralized at June 30, 1990.

Unless otherwise provided by law, treasury cash is pooled for investment regardless of the fund from which it is deposited and the pool's investment earnings are credited to the General Fund. The Board reported total investment income from investments under their management of $295.1 million, an increase of 9.6% from the $269.2 million earned last year. The book value of Board managed investments rose 12% to $3.162 billion from $2.824 billion at fiscal year-end 1989. The Board publishes an annual audited report of all its investment activity. That report can be referenced for more in-depth portfolio information.

Risk Management

The State of Montana provides benefit coverage for injured state employees through participation in the State Compensation Mutual Insurance Fund (State Fund). The State Fund is a nonprofit, independent public corporation which is managed and controlled by a 5 member board of directors. The board members are appointed by the Governor for 4 year terms. Funding is primarily derived from the premiums paid by policyholders. At June 30, 1990, actuarial liabilities for the fund exceeded assets by $221,855,000. The percentage of this liability belonging to the state as a participant is unknown.

In an attempt to address the unfunded liability problem, the 1987 Legislature provided for a .3% payroll tax for all employers based on total wages paid. In addition, the 1989 Legislature appropriated $20 million from the General Fund for fiscal year 1990 to offset the need for a premium increase, and froze compensation and medical benefits at 1987 levels through July 1, 1991, and December 31, 1991, respectively.

During the 1990 Special Session, the legislature took additional action to address the funding problems of the State Fund. This action included 1) continuing the payroll tax indefinitely at the rate of .28% and earmarking these funds to pay claims related to accidents that occurred prior to July 1, 1990; and 2) enacting legislation that requires the State Fund to establish premiums at a level sufficient to fund the payment of all claims related to accidents occurring on or after July 1, 1990.

The State maintains self-insurance plans for employee comprehensive medical and dental coverage and State property.

Under the Group Employee Comprehensive Medical and Dental Plan the State assumes all the risk for claims incurred by State employees, elected officials, retirees and their dependents. The following exceptions and limitations apply to the Plan: 1) coverage is not provided to employees of the Montana University System; 2) organ transplants are reinsured with Blue Cross and Blue Shield of Montana; and 3) each plan member's medical benefits are limited to a lifetime maximum of $1 million. Premiums are collected through payroll deductions, deductions through the Public Employees' Retirement System and self-payment. At June 30, 1990, the Plan reported retained earnings of $10 million.

The Montana University System Group Benefits Plan provides medical, dental, and vision insurance coverage to employees of the Montana University System and their dependents, retirees, and COBRA members. Through June 30, 1990, the Plan was a modified form of self-insurance. Beginning July 1, 1990, it is an "administrative services only" plan, whereby United of Omaha is the claims administrator and the University System assumes the full liability.

The State's property insurance plan provides coverage for general liability, automobile liability, automobile physical damage, retail liquor stores inventory and inland marine. The State self-insures the $150,000 deductible per occurrence for property insurance. Commercial insurance companies pay the next $50 million per occurrence. Premiums for the plan are collected from all State agencies, including Higher Education Units. The most recent actuarial report, issued for the period July 1, 1977 - June 30, 1990, estimated that the present fund balance reserve is insufficient by $13 million. This compares to a $21.3 million insufficient fund balance reserve identified in the previous actuarial report issued for the accident period July 1, 1977, through June 30, 1988.

Independent Audit

The financial statements contained in Montana's Comprehensive Annual Financial Report were audited in accordance with generally accepted auditing standards by the Office of the Legislative Auditor. The Legislative Auditor is appointed by and reports to the Legislative Audit Committee. The Deputy Legislative Auditor issued an unqualified opinion on the State's financial statements for fiscal year 1990.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Montana for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1989. This was the third consecutive year that the State received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to conform to the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another Certificate.

Acknowledgements

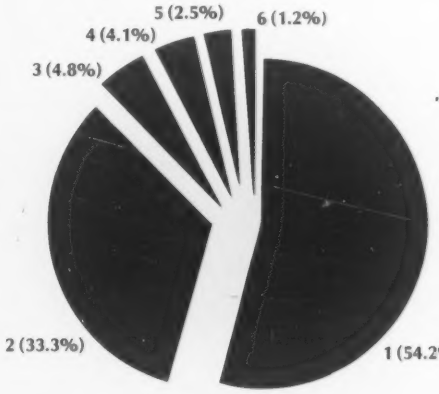
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Accounting Bureau. I would like to express my appreciation to Accounting Bureau personnel. I would also like to thank the Legislature and all State agencies for their interest and support in planning and conducting the financial operations of Montana in a professionally responsible and progressive manner.

Respectfully submitted,

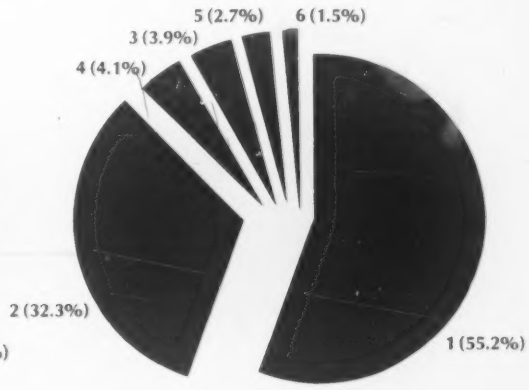
Dave Ashley, Acting Director
Department of Administration

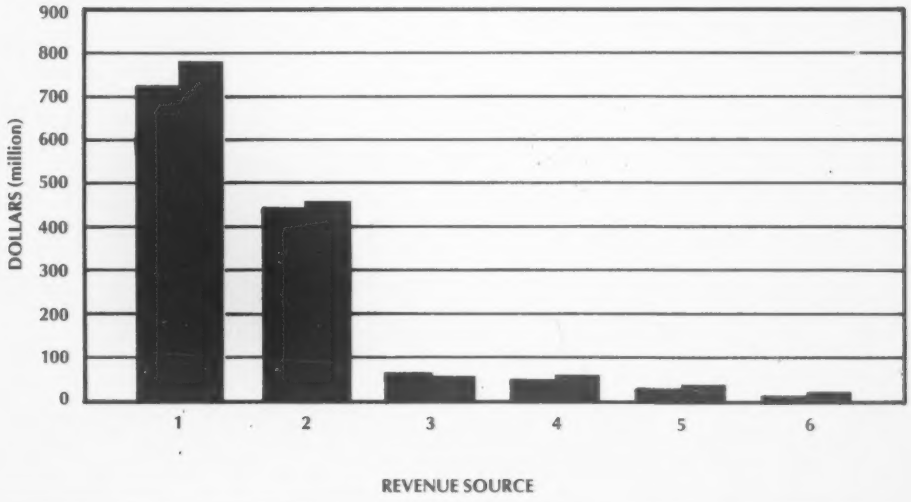
STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES

FY89



FY90



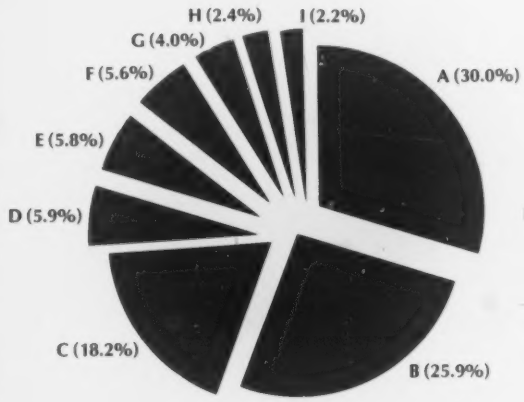


LEGEND: FY89 FY90

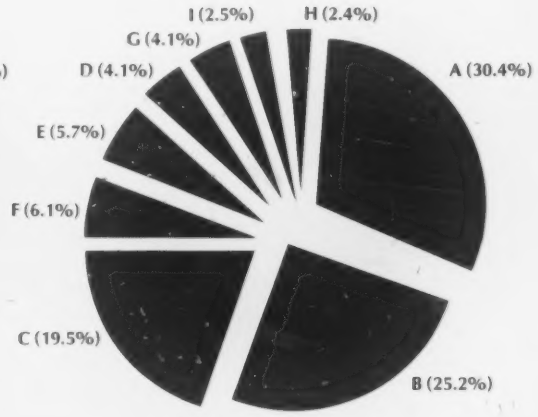
1. Taxes
2. Federal
3. Licenses/Permits
4. Charges for Services/Fines/Forfeits
5. Investment Earnings
6. Other Revenues (includes contributions, premiums rentals, leases, royalties, grants, contracts, donations, federal indirect cost recoveries and sale of documents, merchandise and property)

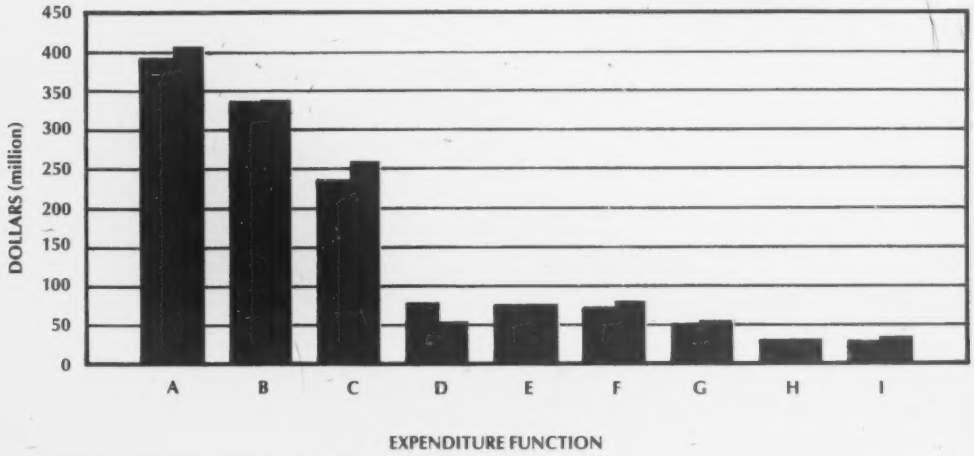
STATE OF MONTANA
EXPENDITURE BY FUNCTION
ALL GOVERNMENTAL FUND TYPES

FY89



FY90





LEGEND: FY89 FY90

A- Health/Social Services	D- Resource Development/Assistance	G- General Government
B- Education/Cultural	E- Economic Development/Assistance	H- Debt Service
C- Transportation	F- Public Safety/Corrections	I- Capital Outlay

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Montana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1989

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

Gary R. Hoistrem
President

Jeffrey L. Esser
Executive Director

Montana

GENERAL PURPOSE FINANCIAL STATEMENTS

The following financial statements present the financial position of all fund types and account groups and the operating results of all fund types.

Montana has fourteen downhill ski areas with miles of skiable terrain from steep exhilarating chutes to groomed cruising runs.

Photograph Courtesy of Montana Promotion Division

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STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

LEGISLATIVE AUDITOR:
SCOTT A. SEACAT

LEGAL COUNSEL:
JOHN W. NORTHEY

DEPUTY LEGISLATIVE AUDITORS:
MARY BRYSON
Operations and EDP Audit
JAMES GILLETT
Financial-Compliance Audit
JIM PELLEGRINI
Performance Audit

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying general purpose financial statements of the State of Montana, as of June 30, 1990, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the State of Montana management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the following: Montana Board of Housing which statements reflect total assets, liabilities, revenues, and expenses of 78.5 percent, 63.2 percent, 19.5 percent, and 17.6 percent, respectively, of the related Enterprise Fund; and Montana State Lottery, which statements reflect total assets, liabilities, revenues, and expenses of .4 percent, .3 percent, 7.4 percent, and 7.3 percent, respectively, of the related Enterprise Fund. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Montana Board of Housing and Montana State Lottery, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Montana, as of June 30, 1990, and the results of its operations and the changes in financial position of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Montana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The other data included in this report have not been audited by us and, accordingly, we express no opinion on such data.

Respectfully submitted,

James Gillett

James Gillett, CPA
Deputy Legislative Auditor

October 31, 1990

STATE OF MONTANA
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1990
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
ASSETS/OTHER DEBITS						
Assets:						
Cash/Cash Equivalents (Note 4)	$ 48,939	$ 233,975	$ 17,976	$ 595	$ 87,696	$ 9,516
Cash with Fiscal Agent (Note 4)	-	296	-	-	696	6
Receivables (Net of Uncollectibles)	22,593	21,976	1,893	63	35,680	311
Interfund Loans Receivable (Note 5)	36,553	23,739	-	550	15	8
Due from Other Governments	35	79,221	-	372	-	30
Due from Other Funds (Note 5)	25,991	35,227	37	22	16,260	3,571
Inventories	3,390	17,779	-	-	13,708	947
Equity in Pooled Cash/Investments (Note 4)	-	46,475	15,580	8,695	31,337	2,231
Long-Term Loans/Notes Receivable	389	7,323	27,617	39	456,837	-
Investments (Note 4)	-	2,995	4,915	-	164,376	4,522
Deferred (Gains) Losses	-	-	-	-	-	-
Land	-	-	-	-	690	236
Buildings/Improvements	-	-	-	-	3,642	5
Equipment	-	-	-	-	4,952	92,149
Other Fixed Assets	-	-	-	-	5	10
Accumulated Depreciation	-	-	-	-	(3,621)	(43,543)
Construction in Progress	-	-	-	-	111	1,846
Intangible Assets	-	-	-	-	393	351
Deferred Charges	-	-	-	-	10,213	113
Other Assets	429	2,284	-	11	9,026	294
OTHER DEBITS:						
Amount Available - Debt Service Funds	-	-	-	-	-	-
Amount to be Provided from Long-Term Loans	-	-	-	-	-	-
Resources to be Provided in Future Years	-	-	-	-	-	-
TOTAL ASSETS/OTHER DEBITS	$138,319	$ 471,290	$ 68,018	$ 10,347	$ 832,016	$ 72,603
LIABILITIES/EQUITY/OTHER CREDITS						
Liabilities:						
Accounts Payable	$ 23,050	$ 64,394	$ 1,261	$ 213	$ 10,705	$ 1,631
Lottery Prizes Payable	-	-	-	-	646	-
Interfund Loans Payable (Note 5)	-	60,084	-	550	23	185
Due to Other Governments	1	2,169	-	-	-	-
Due to Other Funds (Note 5)	7,057	30,496	926	20	12,719	1,637
Deferred Revenue	12,754	26,451	842	30	1,716	414
Installment Purchase/Lease Payable (Note 7)	-	-	-	-	166	5,979
Bonds/Notes Payable (Net) (Note 6)	-	-	-	-	619,235	4,795
Property Held in Trust	382	1,511	-	21	16,211	16
Compensated Absences Payable (Note 1)	-	-	-	-	827	1,729
Estimated Claims (Notes 13/18)	-	-	-	-	301,086	615
Arbitrage Rebate Tax Payable	-	-	-	-	202	-
Other Liabilities	1	1	-	-	-	-
Total Liabilities	43,245	185,106	3,029	834	963,536	17,001
Equity/Other Credits:						
Investment in General Fixed/Plant Assets	-	-	-	-	-	-
Contributed Capital	-	-	-	-	3,690	2,808
Retained Earnings:						
Reserved (Note 11)	-	-	-	-	71,170	5,636
Unreserved	-	-	-	-	(206,380)	47,158
Fund Balances:						
Reserved for Encumbrances	2,257	19,918	22	-	-	-
Reserved for Inventories	3,390	17,779	-	-	-	-
Reserved for Long-Term Loans	389	7,323	27,618	39	-	-
Reserved for Debt Service	-	-	37,349	-	-	-
Reserved for Trusts/Endowments	-	-	-	-	-	-
Reserved for Retirement Systems	-	-	-	-	-	-
Unreserved, undesignated	89,038	241,164	-	9,474	-	-
Total Equity/Other Credits	95,074	286,184	64,989	9,513	(131,520)	55,602
TOTAL LIABILITIES/EQUITY/OTHER CREDITS	$138,319	$ 471,290	$ 68,018	$ 10,347	$ 832,016	$ 72,603

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND TYPES	ACCOUNT GROUPS			TOTALS - JUNE 30 AS RESTATED (MEMORANDUM ONLY)	
TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	HIGHER EDUCATION FUNDS	1990	1989
$ 134,610	$ -	$ -	$ 31,661	$ 564,968	$ 470,879
-	-	-	1,289	2,287	4,151
71,362	-	-	25,308	179,186	176,837
385	-	-	3,575	64,825	36,336
51	-	-	978	80,687	76,573
24,067	-	-	8,278	113,453	102,763
-	-	-	4,210	40,034	37,099
736,394	-	-	16,331	857,043	803,264
38,491	-	-	887	531,583	524,105
2,072,982	-	-	9,487	2,259,277	2,074,834
15,761	-	-	-	15,761	17,712
49,459	52,227	-	10,480	113,092	109,510
342	217,881	-	271,291	493,161	475,523
189	79,622	-	85,584	262,496	260,214
-	43,305	-	50,712	94,032	78,497
(254)	-	-	-	(47,418)	(42,546)
-	5,499	-	2,814	10,270	12,630
9	-	-	1,119	1,872	1,919
-	-	-	-	10,326	10,515
29,232	-	-	3,379	44,655	44,802
-	-	37,349	-	37,349	36,774
-	-	27,618	-	27,618	25,193
-	-	249,491	-	249,491	248,103
$ 3,173,080	$ 398,534	$ 314,458	$ 527,383	$ 6,006,048	$ 5,585,687
$ 9,872	$ -	$ -	$ 17,858	$ 128,984	$ 128,233
-	-	-	-	646	1,505
408	-	-	3,575	64,825	36,336
157,833	-	-	124	160,127	151,159
51,943	-	-	8,655	113,453	102,763
2,913	-	-	3,066	48,186	47,449
-	-	1,339	710	8,194	8,618
-	-	285,623	80,950	990,603	979,855
341,345	-	-	3,231	362,717	329,378
76	-	27,496	15,405	45,533	42,748
-	-	-	-	301,701	270,591
-	-	-	-	202	-
2,733	-	-	8	2,743	1,904
567,123	-	314,458	133,582	2,227,914	2,100,539
-	398,534	-	339,464	737,998	704,091
-	-	-	-	6,498	6,215
-	-	-	-	76,806	76,297
-	-	-	-	(159,222)	(157,217)
-	-	-	1,328	23,525	31,546
-	-	-	-	21,169	20,238
2,273	-	-	-	37,642	33,612
-	-	-	17,963	55,312	54,237
821,987	-	-	22,120	844,107	792,473
1,688,891	-	-	-	1,688,891	1,528,923
92,806	-	-	12,926	445,408	394,733
2,605,957	398,534	-	393,801	3,778,134	3,485,148
$ 3,173,080	$ 398,534	$ 314,458	$ 527,383	$ 6,006,048	$ 5,585,687

STATE OF MONTANA
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	TOTALS - AS RESTATED (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST	1990	1989
REVENUES:							
Licenses/Permits	$ 18,071	$ 37,158	$ -	$ -	$ -	$ 55,229	$ 64,075
Taxes:	-	-	-	-	-		
Gas/Oil/Coal Production	26,013	16,760	34,579	-	-	77,352	74,315
Individual Income	159,443	92,787	27,412	-	-	279,642	265,540
Corporate Income	48,243	23,781	8,292	-	-	80,316	56,139
Other	49,381	277,216	9,432	3,029	-	339,058	329,754
Charges for Services/Fines/Forfeits	17,417	39,274	177	61	3,505	60,434	56,657
Investment Earnings	26,664	7,328	2,626	645	7,643	44,906	35,141
Sale of Documents/Mdse./Property	147	3,699	1,702	-	-	5,548	2,920
Rentals/Leases/Royalties	131	232	-	-	-	363	449
Contributions/Premiums	-	3,199	-	-	42,850	46,049	53,310
Grants/Contracts/Donations	-	8,416	-	57	50	8,523	4,690
Federal	12	448,890	149	2,056	2,795	453,902	450,202
Federal Indirect Cost Recoveries	266	1,524	-	-	-	1,790	1,880
Other Revenues	401	1,031	612	34	7	2,085	5,162
Total Revenues	346,189	961,295	84,981	5,882	56,850	1,455,197	1,400,234
Intrafund Revenues	(64)	(12,788)	(69)	-	(42)	(12,963)	(12,295)
Net Revenues	346,125	948,507	84,912	5,882	56,808	1,442,234	1,387,939
EXPENDITURES:							
Current:							
General Government	38,500	15,881	18	3	-	54,402	52,065
Public Safety/Corrections	41,486	39,318	-	-	-	80,804	72,616
Transportation	588	258,850	-	-	491	259,929	238,012
Health/Social Services	140,327	264,661	-	20	-	405,008	391,857
Education/Cultural	57,380	278,485	-	-	46	335,911	337,301
Resource Development/Recreation	12,844	41,882	374	-	-	55,100	77,171
Economic Development/Assistance	6,186	70,177	-	-	41,608	117,971	116,807
Debt Service:							
Principal Retirement	567	70	10,031	-	-	10,668	9,841
Interest/Fiscal Charges	384	153	20,613	36	-	21,186	21,922
Capital Outlay	4,059	23,421	-	6,096	5	33,581	28,136
Total Expenditures	302,321	992,898	31,036	6,155	42,150	1,374,560	1,345,728
Intrafund Expenditures	(64)	(12,788)	(69)	-	(42)	(12,963)	(12,295)
Net Expenditures	302,257	980,110	30,967	6,155	42,108	1,361,597	1,333,433
Excess of Revenues Over (Under) Expenditures	43,868	(31,603)	53,945	(273)	14,700	80,637	54,506
OTHER FINANCING SOURCES (USES):							
Bond Proceeds	-	10,300	18	3,540	-	13,858	3,820
Inception of Lease/Installment Contract	840	29	-	-	-	869	433
General Fixed Asset Sale Proceeds	80	167	315	-	-	562	206
Operating Transfers In (Note 5)	105,170	61,968	30,110	1,642	20	198,910	184,752
Operating Transfers Out (Note 5)	(128,595)	(44,828)	(82,595)	(2,696)	(313)	(259,027)	(221,329)
Retirement of Refunded Bonds (Note 6)	-	-	(1,600)	-	-	(1,600)	-
Total Other Financing Sources (Uses)	(22,505)	27,636	(53,752)	2,486	(293)	(46,428)	(32,118)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	21,363	(3,967)	193	2,213	14,407	34,209	22,388
FUND BALANCES - JULY 1 - As Previously Reported With Restatement (Note 2)	72,930	275,103	61,967	7,300	85,256	502,556	454,281
Prior Period Adjustments (Note 2)	(465)	3,751	-	-	(4,584)	(1,298)	25
FUND BALANCES - July 1 - As Restated	72,465	278,854	61,967	7,300	80,672	501,258	454,306
Increase (Decrease) in Inventories	1,050	15	-	-	-	1,065	404
Residual Equity Transfers (Note 5)	196	11,282	2,829	-	-	14,307	25,458
FUND BALANCES - JUNE 30	$ 95,074	$ 286,184	$ 64,989	$ 9,513	$ 95,079	$ 550,839	$ 502,556

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses)
and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis
General and Special Revenue Fund Types
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	GENERAL FUND			SPECIAL REVENUE FUNDS			TOTALS (MEMORANDUM ONLY)		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES:									
Licenses/Permits	$ 17,185	$ 18,071	$ 886	$ 42,869	$ 37,158	$ (5,711)	$ 60,054	$ 55,229	$ (4,825)
Taxes:									
Gas/Oil/Coal Production	22,307	26,013	3,706	22,722	16,760	(5,962)	45,029	42,773	(2,256)
Individual Income	149,351	159,443	10,092	81,604	92,787	11,183	230,955	252,230	21,275
Corporate Income	29,932	48,243	18,311	15,963	23,781	7,818	45,895	72,024	26,129
Other Taxes	48,992	49,381	389	255,814	277,216	21,402	304,806	326,597	21,791
Charges for Services/Fines/Forfeits	17,269	17,417	148	37,762	39,274	1,512	55,031	56,691	1,660
Investment Earnings	20,320	26,664	6,344	7,020	7,327	307	27,340	33,991	6,651
Sale of Documents/Merchandise/Property	170	147	(23)	3,760	3,699	(61)	3,930	3,846	(84)
Rentals/Leases/Royalties	131	131	-	212	232	20	343	363	20
Contributions/Premiums	-	-	-	2,228	3,199	971	2,228	3,199	971
Grants/Contracts/Donations	-	-	-	10,396	8,416	(1,980)	10,396	8,416	(1,980)
Federal	34	12	(22)	517,977	448,891	(69,086)	518,011	448,903	(69,108)
Federal Indirect Cost Recoveries	111	266	155	2,883	1,524	(1,359)	2,994	1,790	(1,204)
Other Revenues	1,230	401	(829)	1,408	1,031	(377)	2,638	1,432	(1,206)
Total Revenues	307,032	346,189	39,157	1,002,618	961,295	(41,323)	1,309,650	1,307,484	(2,166)
EXPENDITURES:									
Current:									
General Government	42,613	38,799	3,814	30,969	15,663	15,306	73,582	54,462	19,120
Public Safety/Corrections	43,172	41,520	1,652	44,142	39,263	4,879	87,314	80,783	6,531
Transportation	780	623	157	278,510	256,055	22,455	279,290	256,678	22,612
Health/Social Services	151,261	144,653	6,608	300,212	275,847	24,365	451,473	420,500	30,973
Education/Cultural	58,424	57,395	1,029	295,846	278,636	17,210	354,270	336,031	18,239
Resource Development/Recreation	13,638	12,793	845	66,762	36,424	30,338	80,400	49,217	31,183
Economic Development/Assistance	6,629	6,303	326	82,368	69,218	13,150	88,997	75,521	13,476
Debt Service:									
Principal Retirement	608	608	-	70	70	-	678	678	-
Interest/Fiscal Charges	384	384	-	160	160	-	544	544	-
Capital Outlay	2,715	3,147	(432)	23,286	23,397	(111)	26,001	26,544	(543)
Total Expenditures	320,224	306,225	13,999	1,122,325	994,733	127,592	1,442,549	1,300,958	141,591
Excess of Revenues Over (Under) Expenditures	(13,192)	39,964	53,156	(119,707)	(33,438)	86,269	(132,899)	6,526	139,425
OTHER FINANCING SOURCES (USES):									
Bond Proceeds	-	-	-	6,500	10,300	3,800	6,500	10,300	3,800
General Fixed Asset Sale Proceeds	130	80	(50)	19	167	148	149	247	98
Operating Transfers In	91,968	105,171	13,203	116,169	99,293	(16,876)	208,137	204,464	(3,673)
Operating Transfers Out	(129,736)	(127,208)	2,528	(84,981)	(82,122)	2,859	(214,717)	(209,330)	5,387
Total Other Financings Sources (Uses)	(37,638)	(21,957)	15,681	37,707	27,638	(10,069)	69	5,681	5,612
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (Budgetary Basis)	(50,830)	18,007	68,837	(82,000)	(5,800)	76,200	(132,830)	12,207	145,037
RECONCILIATION OF BUDGETARY/GAAP REPORTING:									
1. Adjust expenditures for encumbrances.	-	391	391	-	(10,795)	(10,795)	-	(10,404)	(10,404)
2. Adjustments for appropriated loans/ other nonbudgeted activity.	-	2,965	2,965	-	12,628	12,628	-	15,593	15,593
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (GAAP Basis)	(50,830)	21,363	72,193	(82,000)	(3,967)	78,033	(132,830)	17,396	150,226
Unreserved Fund Balances - July 1	67,234	67,234	-	223,873	223,873	-	291,107	291,107	-
Residual Equity Transfers	196	196	-	11,282	11,282	-	11,478	11,478	-
Prior Period Adjustments	-	(465)	(465)	-	4,052	4,052	-	3,587	3,587
Decrease (Increase):									
Encumbrances Reserve	-	710	710	-	7,216	7,216	-	7,926	7,926
Long-Term Loans Reserve	-	-	-	-	(1,292)	(1,292)	-	(1,292)	(1,292)
Unreserved Fund Balances - June 30	$ 16,600	$ 89,038	$ 72,438	$ 153,155	$ 241,164	$ 88,009	$ 169,755	$ 330,202	$ 160,447

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS - AS RESTATED (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	1990	1989
OPERATING REVENUES:						
Charges for Services	$ 83,339	$ 51,001	$ 7,394	$ -	$ 141,734	$ 127,503
Investment Earnings	65,329	635	82,747	155,450	304,161	286,288
Contributions/Premiums	101,264	-	-	140,523	241,787	225,448
Taxes	8,892	-	13,229	-	22,121	13,809
Rentals/Leases/Royalties	-	-	20,443	-	20,443	20,024
Grants/Contracts/Donations	-	-	926	-	926	1,301
Other Operating Revenues	137	15	-	37	189	794
Total Operating Revenues	258,961	51,651	124,739	296,010	731,361	675,167
Intrafund Revenues	(67)	(284)	-	-	(351)	(247)
Net Operating Revenues	258,894	51,367	124,739	296,010	731,010	674,920
OPERATING EXPENSES:						
Personal Services	8,058	16,194	-	692	24,944	23,232
Contractual Services	10,909	4,922	-	380	16,211	9,976
Supplies/Materials	27,432	10,919	-	25	38,376	36,345
Expendable Equipment	21	13	-	1	35	250
Benefits	157,635	1,627	-	114,687	273,949	313,626
Refunds	-	-	-	19,980	19,980	17,836
Depreciation	373	7,961	-	26	8,360	7,809
Utilities/Rent	978	2,678	-	58	3,714	3,546
Communications	1,212	6,390	-	79	7,681	6,823
Travel	169	393	-	18	580	535
Repair/Maintenance	430	3,292	-	8	3,730	3,672
Lottery Prize Payments	10,190	-	-	-	10,190	5,300
Interest Expense	52,011	829	-	-	52,840	53,457
Arbitrage Rebate Tax	202	-	-	-	202	-
Other Operating Expenses	1,335	774	-	88	2,197	1,387
Total Operating Expenses	270,955	55,992	-	136,042	462,989	483,794
Intrafund Expenses	(67)	(284)	-	-	(351)	(247)
Net Operating Expenses	270,888	55,708	-	136,042	462,638	483,547
Operating Income (Loss)	(11,994)	(4,341)	124,739	159,968	268,372	191,373
NONOPERATING REVENUES (EXPENSES):						
Interest Earnings	-	-	-	-	-	63
Gain (Loss) Sale of Fixed Assets	(23)	(103)	-	-	(126)	198
Increase (Decrease) in Value of Livestock	300	-	-	-	300	70
Federal Assistance	-	484	17	-	501	17
Federal Indirect Cost Recoveries	-	4,086	-	-	4,086	3,189
Other Nonoperating Revenues (Expenses)	-	-	(5)	-	(5)	(1)
Total Nonoperating Revenues (Expenses)	277	4,467	12	-	4,756	3,536
Income (Loss) Before Operating Transfers	(11,717)	126	124,751	159,968	273,128	194,909
Operating Transfers In (Note 5)	33,034	1,092	40,549	-	74,675	43,485
Operating Transfers Out (Note 5)	(24,200)	(100)	(100,323)	-	(124,623)	(110,862)
Net Income (Loss)	(2,883)	1,118	64,977	159,968	223,180	127,532
RETAINED EARNINGS/FUND BALANCES - July 1 As Previously Reported With Restatement (Note 2)	(132,779)	51,859	771,498	1,528,923	2,219,501	2,156,703
Prior Period Adjustments (Note 2)	452	(173)	-	-	279	(39,170)
RETAINED EARNINGS/FUND BALANCES - July 1 - As Restated	(132,327)	51,686	771,498	1,528,923	2,219,780	2,117,533
Residual Equity Transfers (Note 5)	-	(10)	(14,488)	-	(14,498)	(25,564)
RETAINED EARNINGS/FUND BALANCES - JUNE 30	$ (135,210)	$ 52,794	$ 821,987	$1,688,891	$2,428,462	$2,219,501

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Changes in Financial Position
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS - AS RESTATED (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	1990	1989
SOURCES OF WORKING CAPITAL:						
Operations:						
Net Income (Loss)	$ (2,883)	$ 1,118	$ 64,977	$ 159,968	$ 223,180	$ 127,532
Items not Requiring Working Capital:						
Depreciation	373	7,961	-	26	8,360	7,809
Amoritization of Net (Gain) Loss on Securities Exchanged	-	-	-	1,987	1,987	2,639
Working Capital Provided By Operations	(2,510)	9,079	64,977	161,981	233,527	137,980
Decrease in Long-Term Investments	311,655	6,388	196,790	186,584	701,417	426,170
Disposal of Fixed Assets	947	956	-	4	1,907	688
Decrease in Noncurrent Receivables	488,628	-	12,879	-	501,507	22,347
Increase in Noncurrent Payables	784,196	3,486	-	-	787,682	259,175
Increase in Contributed Capital	795	1,492	-	-	2,287	1,282
Increase in Compensated Absences Payable	396	378	-	3	777	111
Total Sources of Working Capital	1,584,107	21,779	274,646	348,572	2,229,104	847,753
USES OF WORKING CAPITAL:						
Increase in Long-Term Investments	352,212	6,489	245,906	311,804	916,411	573,072
Acquisition of Fixed Assets	1,254	9,506	-	31	10,791	14,768
Increase in Noncurrent Receivables	485,847	3	20,056	-	505,906	30,306
Decrease in Noncurrent Payables	741,161	5,006	-	-	746,167	165,072
Decrease in Contributed Capital	588	770	-	-	1,358	817
Decrease in Compensated Absences Payable	438	229	-	-	667	229
Reduction of Fund Equity Due to Residual Equity Transfers	-	10	14,488	-	14,498	25,564
Total Uses of Working Capital	1,581,500	22,013	280,450	311,835	2,195,798	809,828
Net Increase (Decrease) in Working Capital	$ 2,607	$ (234)	$ (5,804)	$ 36,737	$ 33,306	$ 37,925
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:						
Cash/Cash Equivalents	$ (15,026)	$ (153)	$ 9,069	$ 356	$ (5,754)	$ (4,357)
Cash with Fiscal Agent	(1,196)	6	-	-	(1,190)	1,806
Receivables (Net)	(105)	(24)	142	4,973	4,986	8,827
Interfund Loans Receivable	(5)	8	-	180	183	(185)
Due from Other Governments	-	13	-	21	34	8
Due from Other Funds	10,483	382	154	706	11,725	(512)
Inventories	2,230	(209)	-	-	2,021	1,383
Equity in Pooled Cash/Investments	17,910	(73)	(13,964)	27,366	31,239	30,352
Other Assets	91	226	-	-	317	888
Accounts Payable	(128)	(150)	1,372	3,511	4,605	(6,231)
Lottery Prizes Payable	860	-	-	-	860	2,001
Interfund Loans Payable	(3)	117	(223)	(180)	(289)	102
Due to Other Governments	-	-	-	4	4	1
Due to Other Funds	(10,423)	(143)	(2,204)	(238)	(13,008)	4,303
Deferred Revenue	(946)	(230)	(150)	(1)	(1,327)	(47)
Property Held in Trust	(1,135)	(4)	-	39	(1,100)	(414)
Net Increase (Decrease) in Working Capital	$ 2,607	$ (234)	$ (5,804)	$ 36,737	$ 33,306	$ 37,925

The notes to the financial statments are an integral part of this statement.

STATE OF MONTANA
Statement of Revenues, Expenditures, Transfers and Changes in Fund Balance
All Higher Education Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
REVENUES/OTHER ADDITIONS:				
Tuition/Fees	$ 34,291	$ 3,999	$ 4,742	$ 45
State Appropriations	-	-	-	121
Local Appropriations	-	-	-	-
Federal Grants/Contracts	4,430	24	-	36,396
State Grants/Contracts	218	250	-	4,110
Local Grants/Contracts	-	-	-	44
Private Gifts/Grants/Donations	-	224	-	9,738
Endowment Income	-	-	-	7
Sales/Services-Educational Activities	823	1,060	-	60
Sales/Services-Designated/Auxiliary Enterprises	58	9,942	33,047	91
Indirect Costs Recovered	1,258	642	-	-
Investment Earnings	67	70	598	332
Acquisition of Long-Lived Assets	-	-	-	-
Retirement of Indebtedness	-	-	-	-
Other Revenues/Additions	257	3,709	462	430
Total Revenues/Other Additions	41,402	19,920	38,849	51,374
Intrafund Revenues/Other Additions	-	-	-	(263)
Net Revenues/Other Additions	41,402	19,920	38,849	51,111
EXPENDITURES/OTHER DEDUCTIONS:				
Instruction	69,301	2,079	-	5,683
Research	9,874	382	-	14,795
Public Service	4,250	814	45	4,890
Academic Support	12,430	2,870	-	1,795
Student Services	13,234	2,876	8	1,572
Institutional Support	13,724	6,271	-	204
Independent Operations	1,244	-	-	-
Scholarships/Fellowships	3,515	9	-	19,716
Auxiliary Enterprises	-	-	33,171	5
Operation/Maintenance of Plant	17,985	1,656	-	123
Expended for Plant	-	-	-	-
Debt Services	148	85	14	20
Capital Outlay	4,385	1,709	171	2,610
Disposal of Long-Lived Assets	-	-	-	-
Debt Incurred	-	-	-	-
Other Expenditures/Deductions	721	249	9	22
Total Expenditures/Other Deductions	150,811	19,000	33,418	51,435
Intrafund Expenditures/Other Deductions	-	-	-	(263)
Net Expenditures/Other Deductions	150,811	19,000	33,418	51,172
TRANSFERS IN (OUT)/OTHER ADDITIONS (DEDUCTIONS):				
Transfers from State General Fund	94,362	-	-	-
Millage Transfers	12,837	-	-	-
Mandatory Transfers	-	(199)	(5,800)	138
Nonmandatory Transfers	979	399	370	407
Total Transfers In (Out) (Note 5)	108,178	200	(5,430)	545
Move Equity to Investment in Plant	-	-	-	-
Gain (Loss) on Advance Refunding	-	-	-	-
Total Transfers In (Out)/Other Additions (Deductions)	108,178	200	(5,430)	545
Net Increase (Decrease) in Fund Balances	(1,231)	1,120	1	484
FUND BALANCES - July 1 - As Previously Reported	(9,553)	4,477	7,251	1,412
Prior Period Adjustments (Note 2)	(51)	32	(3)	(30)
FUND BALANCES - July 1 - As Restated	(9,604)	4,509	7,248	1,382
Residual Equity Transfers (Note 5)	3	48	-	(53)
FUND BALANCES - June 30	$ (10,832)	$ 5,677	$ 7,249	$ 1,813

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS		PLANT FUNDS				TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
STUDENT LOANS	ENDOWMENTS	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	1990	1989
$ -	$ -	$ 1,192	$ 215	$ 1,770	$ -	$ 46,254	$ 39,644
-	-	-	-	-	-	121	113
-	-	-	-	-	-	-	2,027
721	1	-	-	23	-	41,595	38,070
39	-	-	-	-	-	4,617	4,356
-	-	-	-	-	-	44	463
5	195	10	-	-	-	10,172	8,982
-	-	-	-	-	-	7	7
-	-	1	-	-	-	1,944	1,892
-	-	2	61	-	-	43,201	41,413
-	-	-	-	-	-	1,900	1,082
364	3	254	402	1,594	-	3,684	3,570
-	-	-	-	-	32,912	32,912	20,974
-	-	-	-	-	3,235	3,235	2,455
363	-	114	261	886	-	6,482	6,837
1,492	199	1,573	939	4,273	36,147	196,168	171,885
-	-	-	-	-	-	(263)	(815)
1,492	199	1,573	939	4,273	36,147	195,905	171,070
-	-	1	-	-	-	77,064	70,145
-	-	-	-	-	-	25,051	23,413
-	-	-	-	-	-	9,999	9,078
-	-	-	-	-	-	17,095	15,688
110	-	-	-	-	-	17,800	16,860
-	-	-	-	-	-	20,199	18,390
-	-	-	-	-	-	1,244	1,167
-	-	-	-	-	-	23,240	23,216
-	-	-	-	-	-	33,176	30,882
-	-	-	-	-	-	19,764	19,894
-	-	1,365	998	9	-	2,372	1,292
-	-	49	5	8,880	-	9,201	8,340
-	-	1,114	1,027	-	-	11,016	13,016
-	-	-	-	-	29,504	29,504	10,236
-	-	-	-	-	2,077	2,077	6,842
155	-	-	-	-	-	1,156	895
265	-	2,529	2,030	8,889	31,581	299,958	269,354
-	-	-	-	-	-	(263)	(815)
265	-	2,529	2,030	8,889	31,581	299,695	268,539
-	-	-	-	-	-	94,362	87,835
-	-	-	-	-	-	12,837	13,780
(3)	-	(827)	1,868	6,603	-	1,780	2,218
(7)	(273)	1,027	(330)	(1,487)	-	1,085	120
(10)	(273)	200	1,538	5,116	-	110,064	103,953
-	-	354	(458)	-	-	(104)	3,236
-	-	-	-	-	-	-	(922)
(10)	(273)	554	1,080	5,116	-	109,960	106,267
1,217	(74)	(402)	(11)	500	4,566	6,170	8,798
18,860	2,115	4,313	6,447	17,463	334,898	387,683	379,656
-	-	-	-	-	-	(52)	(771)
18,860	2,115	4,313	6,447	17,463	334,898	387,631	378,885
2	-	-	-	-	-	-	-
$ 20,079	$ 2,041	$ 3,911	$ 6,436	$ 17,963	$ 339,464	$ 393,801	$ 387,683

STATE OF MONTANA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1990

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - For financial reporting purposes, in conformance with the Governmental Accounting Standards Board (GASB) Cod. Sec. 2100, the State of Montana includes all fund types and account groups of the various agencies, boards and commissions that are controlled by or dependent on the State's legislative, executive or judicial branches. Control by or dependence on the State was determined on the basis of the following criteria, as defined in GASB Cod. Sec. 2100: selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service. The following organizations meet this criteria and are included in the accompanying financial statements:

Higher Education Units	Financing Authorities
State-owned Universities/Colleges/ Vocational-Technical Centers	Montana Board of Housing Montana Health Facility Authority Montana Agricultural Loan Authority

The following organizations have been determined not to be part of Montana's reporting entity after applying the above criteria and are excluded from the accompanying financial statements because the State does not control the assets, operations or management of the respective entities: (1) community colleges; (2) the Montana Higher Education Student Assistance Corporation; and (3) private foundations supporting public education.

Basis of Presentation - Montana reports its financial activity in accordance with generally accepted accounting principles (GAAP) as prescribed in pronouncements of the GASB. The financial statements of the higher education funds have been prepared in conformity with GAAP for colleges and universities (except for General Fund appropriations, which are reported as "Transfers from State General Fund"), as prescribed by the GASB, National Association of College and University Business Officers (NACUBO) and the American Institute of Certified Public Accountants (AICPA).

Significant intrafund transactions and balances have been eliminated.

The "Totals - Memorandum Only" columns represent a summation of the combined financial statements but do not represent the total resources available or total revenues and expenditures/expenses of the State. Interfund eliminations have not been made in the aggregations of this data.

Fund Structure - Montana's various funds are grouped in the financial statements in this report as follows:

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of principal and interest on long-term general obligation debt.

Capital Projects Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (1) financed and operated similar to private business enterprises, where the intent of the Legislature is to finance or recover costs primarily through user charges; or (2) where the Legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments, agencies or other governmental entities on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Pension Trust Funds; and (4) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group - To account for all fixed assets of the State, except those accounted for in the Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

General Long-Term Obligations Account Group - To account for all long-term obligations of the State, except those accounted for in Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

HIGHER EDUCATION (UNIVERSITY AND VOCATIONAL-TECHNICAL CENTER) FUNDS

Current Funds
Unrestricted
General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations but are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds
Student Loans - Accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education units.

Endowments - Accounts for monies where the principal is available for investment. Investment earnings are to be transferred to (or recorded directly in) appropriate operating funds pursuant to prevailing administrative requirements.

Agency - Accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds
Unexpended - Accounts for unexpended resources derived from various sources to finance the acquisition/construction of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

Basis of Accounting - The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed in the Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis, revenues are susceptible to accrual and recognized when they are measurable and available to pay current period liabilities. Intergovernmental revenues

received as reimbursements are recognized based upon the expenditures recorded. Intergovernmental revenues received but not earned are recorded as deferred revenues. Taxes on coal sales, gas and oil production, individual income and other self-assessed taxes are recognized as revenues, if available, when tax returns are filed. Based on historical analysis, a liability has been recognized for collected withholding taxes that will be refunded in fiscal year 1991. Expenditures are recognized when the related fund liability is incurred, with the following exceptions:

(1) principal and interest on long-term debt is recognized when due;
(2) prepayments are accounted for as expenditures in the period of acquisition; and
(3) inventory items are considered expenditures when purchased.

All Proprietary, Pension Trust and Nonexpendable Trust Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities associated with this activity are included on their balance sheets. Operating statements for these funds present increases (revenues) and decreases (expenses) in net total assets.

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds are maintained and report on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable. In Higher Education Funds, depreciation expense related to plant fund assets is not recorded; also, student tuition and fees are fully recognized in the fiscal year in which the related courses or activities are principally conducted. Proprietary and Higher Education Funds' unbilled receivables are recognized as revenue.

Receivables - This classification, net of estimated uncollectibles, consists primarily of receivables for goods sold and services provided; short-term loans and notes; interest and dividends; and income, withholding and inheritance taxes that are past due. An allowance for uncollectible taxes is provided based upon historical analysis. The allowance for uncollectible taxes at June 30, 1990, is $19.5 million.

Inventories - Inventories of materials and supplies are stated at cost. The State allows agencies to use any generally accepted inventory pricing method, but specifies that the first-in, first-out method should be appropriate for most agencies.

Governmental and Expendable Trust Funds use the "purchase method", meaning inventory purchases are recorded as expenditures. At fiscal year-end significant amounts of inventory are shown as a reserve of fund balance, indicating they do not constitute "available spendable resources".

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds report using the "consumption method", meaning inventories are expensed as used.

Deferred (Gains) Losses - This classification is used in the Pension Trust Funds to reflect use of the deferral and amortization method of accounting for gains and losses on the exchange of securities.

Deferred Charges - Unamortized bond issuance costs are reported in this category.

Deferred Revenue - Deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

Property Taxes - Real property taxes are levied in October and are payable in two installments on November 30 and May 31. These taxes attach as an enforceable lien immediately upon becoming delinquent. The State recognizes property tax revenues as available if they are collected within 60 days after fiscal year-end, and material delinquent and total uncollected current year property taxes receivable are recorded in Receivables (Net).

Personal property tax levies are set each August and notices are normally mailed the following March or April. Half of mobile home taxes are due in 30 days and the remaining half on September 30. Taxes on all other types of personal property are to be paid in full 30 days after receipt of the notice. Personal property taxes attach as an enforceable lien immediately upon becoming delinquent.

Property taxes are collected by each of Montana's 56 counties. The counties then submit the State's portion to the State Treasury. The majority of these taxes help fund the public school systems and higher education.

Fund Balance/Retained Earnings Reserves - Portions of fund equity are reported as "reserved" to indicate (1) amounts not available for expenditure, such as equity represented by inventories; and (2) amounts legally segregated for a specific future use, such as those pledged for debt service and retirement or legally-binding contractual agreements.

Compensated Absences - Generally, state employees earn vacation leave ranging from 15-24 days per year depending on the individual's years of service. Teachers employed by the State do not receive vacation leave. Vacation leave may be accumulated to a total not to exceed two times the maximum number of days earned annually. Sick leave is earned at the rate of 12 days per year with no limit on accumulation.

Each contribution year, an employee may contribute a maximum of 40 hours of sick leave to a nonrefundable sick leave pool. For Fiscal year 1990, 716 hours were contributed to the sick leave pool; 1003 hours were withdrawn leaving a balance of 4437 hours in the pool. No liability is reported in the accompanying financial statements because these hours are nonrefundable to participants except by grants approved through an application process. Upon retirement or termination, an employee is paid for 100% of unused vacation leave and 25% of unused sick leave. As of June 30, 1990, the State's liability for unused vacation and sick leave for Higher Education Funds was $15.4 million. The remaining agencies' leave liabilities at June 30, 1990, were $30.1 million, an increase of $1.3 million over the June 30, 1989, leave liability of $28.8 million; this increase resulted from the following (in millions):

	Balance July 1, 1989*	Leave Earned	Leave Used	Balance June 30, 1990
Governmental Fund Types and Similar Trust Funds	$ 26.1	$ 15.1	$ 13.7	$ 27.5
Proprietary Fund Types and Similar Trust Funds	2.7	1.2	1.3	2.6
Total Non-Higher Education Funds	$ 28.8	$ 16.3	$ 15.0	$ 30.1

* Fiscal year 1989 balances have been restated to reflect the change in accounting entity for the State Compensation Mutual Insurance Fund. See Note 2.

2. RESTATEMENTS/RECLASSIFICATIONS

The State changed its accounting and reporting practices to enhance conformance with GAAP. Some of these changes are reported in the accompanying financial statements by restating fiscal year 1989 balances. Following is a description of the major restatements:

Enterprise/Expendable Trust Funds

The State Compensation Mutual Insurance Fund (State Fund) is reported in the Enterprise Fund type for fiscal year 1990. In prior years the State Fund was reported in the Expendable Trust Fund as required by statute. The 1989 Legislature eliminated the statutory reporting requirement and the State Fund, a public entity risk pool, was transferred to the Enterprise Fund type. The fiscal year 1989 memorandum totals and beginning fund equity in the Expendable Trust Fund and Enterprise Fund are restated to retroactively report the change in fund type. Fiscal year 1989 balances in affected footnotes are also restated and so noted.

The effect of this reporting change on fund balances/retained earnings, as reflected in the combined operating statements, is as follows:

1. All Governmental Fund Types and Expendable Trust Funds

	Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only) Year Ended June 30 1990	1989
Fund Balances - July 1 As Previously Reported	$(132,383)	$284,917	$354,200
Adjustment for Restatement	217,639	217,639	100,081
Fund Balances - July 1 With Restatement	$ 85,256	$502,556	$454,281

2. All Proprietary Fund Types and Similar Trust Funds

	Proprietary Fund Types Enterprise	Totals (Memorandum Only) Year Ended June 30 1990	1989
Retained Earnings - July 1 As Previously Reported	$ 85,327	$2,437,607	$2,257,240
Adjustment for Restatement	(218,106)	(218,106)	(100,537)
Retained Earnings - July 1 With Restatement	$(132,779)	$2,219,501	$2,156,703

Prior Period Adjustments - For the fiscal year ended June 30, 1990, the following adjustments have resulted in beginning fund equity restatements (in thousands):

Fund Type	Increase (Decrease) A	B	Totals
General	$ (114)	$ (351)	$ (465)
Special Revenue	3,609	142	3,751
Enterprise	452	-	452
Internal Service	(382)	209	(173)
Expendable Trusts	(4,584)	-	(4,584)
Higher Education:			
General Operating	(51)	-	(51)
Designated	32	-	32
Auxiliary	(3)	-	(3)
Restricted	(30)	-	(30)
Totals	$ (1,071)	$ -	$ (1,071)

A. Restatements for corrections of errors.

B. Restatements for changes in financial reporting.

3. BUDGETARY REPORTING

State Budget Process - Montana is a biennial budget state. The constitution requires that Legislative appropriations not exceed available revenues. Revenues are administratively budgeted, but not legally adopted. Expenditures may not legally exceed budgeted appropriations at the program level. In addition, the State Constitution prohibits borrowing to cover deficits incurred because appropriations exceeded anticipated revenues. Budgets are required by State law for the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds. Budgets may be established in other funds for administrative purposes.

Agency budget requests are submitted to the Governor and the legislative fiscal analyst. The Governor and budget director establish priorities and balance the budget. The Governor's budget is submitted to the legislative fiscal analyst who then prepares recommendations. A comparison of those recommendations with the Governor's budget is submitted to the Legislature. Joint appropriations subcommittee hearings are held and an omnibus appropriation bill is reported to the House and subsequently to the Senate. The Legislature generally enacts one bill making all appropriations for the next two fiscal years. Other appropriations are enacted by the Legislature, but only within the revenue available. Agencies must prepare and submit to the budget director operational plans showing the allocation of operating budgets by line item (i.e., personal services, contractual services, equipment, etc.). The budget director may authorize transfers of funds between line items unless limited by the appropriation act.

Appropriations may not be increased by amendment in the General Fund. However, a department, institution or agency of the executive branch desiring authorization to make expenditures from the General Fund during the first fiscal year of the biennium from appropriations for the second fiscal year of the biennium may apply for authorization from the Governor through the budget director. Additionally, the Governor may approve budget amendments for non-General Fund monies not available for consideration by the Legislature and for emergencies. In the accompanying financial statements, reported budget amounts are as amended, if applicable. There were no recorded expenditures in excess of total authorized appropriations in the State's budgeted funds for the fiscal year.

Appropriations may be continued into the next fiscal year when authorized by the Legislature or the Governor's Office. Appropriations that are not continued are reverted after fiscal year-end. The reverted appropriations remain available for one fiscal year for expenditures that exceed the amount accrued/encumbered. Fund balances/retained earnings are not reserved for reverted appropriations. Reverted appropriations for fiscal year 1990 were $148 million for all funds.

Because Capital Projects Funds' appropriations are not made on an annual basis, Capital Projects Funds' activities are not presented in the Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded as expenditures and liabilities in order to reserve that portion of the applicable appropriation, is employed for budget control purposes. Encumbrances outstanding at fiscal year-end are reported as reservations of fund balances for subsequent year expenditures.

Budget Basis - The Legislature's legal authorization ("appropriations") to incur obligations is enacted on a basis inconsistent with GAAP. The budget basis differs from GAAP for encumbrances outstanding at fiscal year-end; compensated absences, fixed assets and inventories purchased in Proprietary Funds; compensated absences and inventories purchased in Higher Education Funds; certain loans from Governmental Funds; deferred gains (losses) on bond swaps; and other miscellaneous nonbudgeted activity (e.g., bad-debt write-offs, etc.). The General and Special Revenue Fund Type budgetary statement includes a reconciliation between "Excess of revenues/other sources over (under) expenditures/other uses" on the budgetary basis and the GAAP basis.

4. DEPOSITS AND INVESTMENTS

This footnote details the following balance sheet classifications (in thousands):

Cash/Cash Equivalents	$ 564,968
Cash with Fiscal Agent	$ 2,287
Equity in Pooled Cash/Investments	$ 857,043
Investments	$ 2,259,277

Carrying amounts and market values (Bank Balance for Cash Deposits in Table 1) are presented in Table 1 - Cash Deposits, Table 2 - Short-Term Investments, Table 4 - Equity in Pooled Cash/Investments, and Table 5 - Investments.

The State's investments are categorized in Table 3 - Short-Term Investments, Table 4 - Equity in Pooled Cash/Investments and Table 6 - Investments to disclose the level of risk assumed by the State at fiscal year-end. Category 1 includes investments that are insured, registered or uninsured, unregistered securities held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the State's name.

Cash/Cash Equivalents - Consists of cash deposits and short-term investments. Short-term investments may be under the control of the Board of Investments (the Board) or other agencies as allowed by law. The Board must employ the "Prudent Expert Rule" in managing the State's investment portfolio. Common stock purchases are restricted to pension trust and higher education funds and are subject to statutory restrictions for quality and size of holding. The Board administers approximately 37% of short-term investments.

TABLE 1 - CASH DEPOSITS (In Thousands)

Risk Category	Carrying Amount	Bank Balance	Fund
Insured (FDIC)	$ 3,237	$ 3,237	Various
Uninsured:			
(1) Collateral held by State/State's agent	363,680	7,976	Various
(2) Collateral held by pledging institution	86,620	86,620	Various
(3) Uncollateralized*	8,251	4,601	Various
	461,788	$102,434	
Outstanding Warrants	(30,738)		
	431,050		
Short-term investments (Tables 2 & 3)	133,918		
TOTAL CASH/CASH EQUIVALENTS	$564,968		

* The State's main depository bank balance fluctuates daily. The State requires collateralization based on an average daily bank balance. For other depository banks, State statutes require collateralization at 50% of the bank balance.

TABLE 2 - SHORT-TERM INVESTMENTS (CARRYING AMOUNT/MARKET VALUE) (In Thousands)

Fund Type	Carrying Amount	Market Value	Govt. Secur.	Repurch. Agree	Com. Paper	Corp. Stock	Bond Anticipation Notes	Money Market
Special Revenue								
Carrying Amount	$ 31,545		$ 31,545	$ -	$ -	$ -	$ -	$ -
Market Value		$ 31,453	31,453	-	-	-	-	-
Enterprise								
Carrying Amount	75,568		62,201	582	12,183	-	-	602
Market Value		76,137	62,769	583	12,183	-	-	602
Internal Service								
Carrying Amount	1,512		-	-	1,512	-	-	-
Market Value		1,512	-	-	1,512	-	-	-
Nonexpendable Trust								
Carrying Amount	18,067		-	13,100	-	-	4,967	-
Market Value		18,067	-	13,100	-	-	4,967	-
Pension Trust								
Carrying Amount	85		39	-	-	46	-	-
Market Value		47	39	-	-	8	-	-
Higher Education								
Carrying Amount	7,141		5,879	-	-		-	1,262
Market Value		7,141	5,879	-	-		-	1,262
Total Short-term Investments:								
Carrying Amount	$133,918		$ 99,664	$13,682	$13,695	$ 46	$4,967	$1,864
Market Value		$134,357	$100,140	$13,683	$13,695	$ 8	$4,967	$1,864

TABLE 3 - SHORT-TERM INVESTMENTS (RISK CATEGORIES) (In Thousands)

Security Type	Categories 1	2	3	Carrying Amount	Market Value
Government Securities	$ 39,977	$59,687	$ -	$ 99,664	$100,140
Repurchase Agreements	13,100	582	-	13,682	13,683
Commercial Paper	12,183	-	1,512	13,695	13,695
Corporate Stocks	46	-	-	46	8
Bond Anticipation Notes	4,967	-	-	4,967	4,967
Money Markets	1,262	602	-	1,864	1,864
Totals	$ 71,535	$60,871	$ 1,512	$133,918	$134,357

Cash with Fiscal Agent - Consists of cash deposited with fiscal agents.

All $2,287,000 of Cash with Fiscal Agent are in Category (1) and are either insured or registered, and held by the State's agent in the State's name.

Equity in Pooled Cash/Investments - Consists of all cash in the State Treasury not invested by individual funds in identifiable securities. Cash is pooled and invested in either short-term instruments known as STIP (Short-Term Investment Pool) or in common stock of publicly held companies known as MONTCOMP (Montana Common Stock Pool). Each investing fund purchases units in either STIP or MONTCOMP. Local governments outside this reporting entity are also allowed to invest in STIP. Montana Certificates of Deposit are fully insured and collateralized.

TABLE 4 - EQUITY IN POOLED CASH/INVESTMENTS (In Thousands)

	Categories 1	2	3	Carrying Amount	Market Value	Fund
STIP						
Commercial Paper	$176,624	$ -	$ -	$176,624	$176,666	Various
Bankers' Acceptances	286,452	-	-	286,452	286,527	Various
Government Securities	69,533	24,513	-	94,046	94,008	Various
Repurchase Agreements	17,700	-	-	17,700	17,700	Various
Corporate Obligations	80,980	-	-	80,980	80,893	Various
STIP Subtotal	631,289	24,513*	-	655,802**	655,794	
Montana Certificates of Deposit	1,500	-	-	1,500	1,500	Various
STIP Subtotal	$632,789	$24,513	$ -	$657,302	$657,294	
MONTCOMP						
Corporate Stocks	197,875	1,866	-	199,741	323,234	Various
MONTCOMP Subtotal	$197,875	$ 1,866***	$ -	$199,741	$323,234	
TOTAL EQUITY IN POOLED CASH/INVESTMENTS				$857,043	$980,528	

* At June 30, 1990, these securities (STIP Market Value $24,507,000) were loaned under a security lending agreement with the State's agent. The security lending agreement required that the loaned securities be collateralized with government obligations at 102% of their face value. Under the agreement, all of the State's investments may be loaned. Other types of investment activity during fiscal year 1990 were insignificant.

** As of June 30, 1990, securities (Carrying Value $157,385,000; Market Value $157,385,000) were owned by local governments.

***As of June 30, 1990, these securities (MONTCOMP Market Value $218,750) were loaned under a security lending agreement with State's Agent. The security lending agreement required that the loaned securities be collaterized with corporate stock at 102% of their face value. Under the agreement, all of the State's investments may be loaned. Other types of investment activity during fiscal year 1990 were insignificant.

Investments - Consists of investments primarily administered by three State agencies. Article 8 of Montana's Constitution, with supporting statutes, provides the Board of Investments with the authority to manage the State's uniform investment program. State law specifies which agencies may hold investments outside the administration of the Board. The Board, as the State's primary administrator of long-term investments, actively manages 91% of those investments; the Board of Housing, 6%; the Department of Administration's Personnel Division, about 2% for the State's Deferred Compensation Plan; and various other agencies, the remaining 1%. The funds carry equity securities at cost and debt securities at amortized cost.

The Board of Investments continued to invest in leveraged buyouts and venture capital in fiscal year 1990. Of the $25,300,000 commitment to leveraged buyouts administered by the Kohlberg, Kravis, Roberts and Companies, the leveraged buyout invested balance for the pension funds amounted to $23,092,679 on June 30, 1990. The Board allocated $10,000,000 of assets from Teachers Retirement and Public Employees Retirement System to venture capital for the purpose of portfolio diversification. At June 30, 1990, venture capital invested balance for these two systems totaled $4,269,782. These balances are reflected in the Other column below.

TABLE 5 - INVESTMENTS (CARRYING AMOUNT/MARKET VALUE) (In Thousands)

Fund Type	Carrying Amount	Market Value	Corporate Bonds	Government Securities	Mortgages	Other
Special Revenue						
Carrying Amount	$ 2,995		$ 997	$ 1,998	$ -	$ -
Market Value		$ 2,996	996	2,000	-	-
Debt Service						
Carrying Amount	4,915		-	4,915	-	-
Market Value		4,883	-	4,883	-	-
Enterprise						
Carrying Amount	164,376		12,043	107,962	104	44,267
Market Value		171,998	12,275	115,352	104	44,267
Internal Service						
Carrying Amount	4,522		1,299	3,223	-	-
Market Value		4,532	1,299	3,233	-	-
Expendable Trusts						
Carrying Amount	900		800	100	-	-
Market Value		973	874	99	-	-
Nonexpendable Trusts						
Carrying Amount	663,453		538,796	118,026	6,631	-
Market Value		676,870	547,811	122,428	6,631	-
Pension Trusts						
Carrying Amount	1,343,194		1,047,134	149,197	115,921	30,942
Market Value		1,356,870	1,052,994	155,584	115,921	32,371
Higher Education						
Carrying Amount	9,487		-	9,402	-	85
Market Value		9,542	-	9,486	-	56
Totals:						
Carrying Amount	$2,193,842		$1,601,069	$394,823	$122,656	$75,294
Market Value		$2,228,664	$1,616,249	$413,065	$122,656	$76,694
Deferred Compensation*	65,435	65,435				
TOTAL INVESTMENTS	$2,259,277	$2,294,099				

* These funds are deferred compensation moneys recorded at market and invested by the State as an agent for employees of the State.

TABLE 6 - INVESTMENTS (RISK CATEGORIES) (In Thousands)

Security Type	Categories 1	2	3	Carrying Amount	Market Value
Corporate Bonds	$1,585,443	$ 15,626	$ -	$1,601,069	$1,616,249
Government Securities	179,062	215,137	624	394,823	413,065
Mortgages	122,656	-	-	122,656	122,656
Other	31,027	44,267	-	75,294	76,694
Subtotals	$1,918,188	$275,029**	$ 624	$2,193,842	$2,228,664
Pooled Def. Comp.	65,435	-	-	65,435	65,435
Totals	$1,983,623	$275,029	$ 624	$2,259,277	$2,294,099

** At June 30, 1990, these securities (Carrying Value $141,995,000; Market Value $143,670,000) were loaned under a security lending agreement with the State's agent. The security lending agreement required that the loaned securities be collateralized with securities at 102% of their face value. Under the agreement, all of the State's investments may be loaned. Other types of investment activity during fiscal year 1990 were insignificant.

5. INTERFUND TRANSACTIONS

During the course of normal operations, the State has numerous transactions between funds to finance operations, provide services, construct assets, service debt, etc. Montana statutes include a provision for interfund loans when the expenditure of an appropriation is necessary and the cash balance in the account from which the appropriation was made is insufficient to pay the expenditure. To the extent that certain transactions between funds are not paid or received as of June 30, 1990, interfund receivables/payables (Due From/To Other Funds) are recorded. The schedule below presents all interfund balances outstanding at June 30, 1990, (in thousands) and interfund activity for the fiscal year then ended:

Funds	Interfund Loans Receivable	Interfund Loans Payable	Due From Other Funds	Due To Other Funds	Operating Transfers In	Operating Transfers Out	Residual Equity Transfers In	Residual Equity Transfers Out
General	$36,553	$ -	$ 25,991	$ 7,057	$105,170	$128,595	$ 196	$ -
Special Revenue								
State	23,739	32,269	28,934	20,262	61,569	43,330	11,469	-
Federal	-	27,815	6,293	10,234	399	1,498	-	187
Debt Service								
Coal Tax Bonds	-	-	6	20	2,422	34,345	2,157	-
Long-Range Bldg.	-	-	22	876	16,866	47,843	-	-
Water Development	-	-	9	-	255	161	672	-
Hwys Revenue Bonds	-	-	-	30	10,041	-	-	-
Hwys Bldg. Complex	-	-	-	-	526	-	-	-
Airport Bonds	-	-	-	-	-	60	-	-
Renewable Resource	-	-	-	-	-	186	-	-
Capital Projects								
Long-Range Bldg.	550	-	9	19	1	1,047	-	-
Federal/Private Construction Grant	-	550	-	1	-	-	-	-
Capital Land Grant	-	-	13	-	1,642	1,649	-	-
Enterprise								
Housing Authority	-	-	60	86	-	-	-	-
State Comp. Mutual Ins.	-	-	13,801	7,377	32,977	6,010	-	-
Economic Dev. Bonds	-	8	-	9	-	-	-	-
Employees' Grp. Ben.	-	-	816	15	-	-	-	-
Liquor Stores	-	-	941	3,525	-	14,021	-	-
State Lottery	-	-	2	1,597	-	4,169	-	-
MUS Group Insurance	-	-	459	3	-	-	-	-
Prison Ranch	15	-	39	38	-	-	-	-
Prison Industries	-	15	130	14	-	-	-	-
FWP Snowgroomer Rental	-	-	1	-	-	-	-	-
Historical Soc. Publications	-	-	-	42	46	-	-	-
W. Yellowstone Airport	-	-	11	3	11	-	-	-
Health Facilities Authority	-	-	-	8	-	-	-	-
Fire Service Training School	-	-	-	2	-	-	-	-
Internal Service								
Highway Equipment	-	-	520	570	-	-	-	-
Communications	-	-	737	62	71	-	-	-
Admin. Insurance	-	-	33	50	100	100	-	-
Central Data Processing	-	-	800	186	198	-	-	-
FWP Equipment	-	-	138	4	164	-	-	-
Motor Pool	-	185	143	16	-	-	-	-
Admin. Prop. & Supply	-	-	128	29	-	-	-	-
Publications & Graphics	-	-	347	44	-	-	-	-
Buildings & Grounds	-	-	80	265	59	-	-	-
Local Govt. Audits	-	-	5	60	140	-	-	-
Commerce Central Svcs.	-	-	90	70	-	-	-	-
FWP Warehouse Inventory	-	-	37	6	-	-	10*	-
Mail & Messenger	-	-	112	9	-	-	-	-
Investment Division	8	-	51	50	-	-	-	-
DHES Indirect Cost Pool	-	-	114	36	-	-	181*	-
Aircraft Operations	-	-	44	2	-	-	-	-
Justice Legal	-	-	47	17	-	-	-	-
OPI Central Services	-	-	80	32	360	-	-	-
FWP Office Supply	-	-	4	4	-	-	-	10
Personnel Training	-	-	20	10	-	-	-	-

(Continued on next page.)

Funds	Interfund Loans Receivable	Interfund Loans Payable	Due From Other Funds	Due To Other Funds	Operating Transfers In	Operating Transfers Out	Residual Equity Transfers In	Residual Equity Transfers Out
PSC Audit Reim.	-	-	-	1	-	-	-	-
Admin. Legal	-	-	-	2	-	-	-	-
Labor Central Services	-	-	41	112	-	-	-	-
Expendable Trusts								
L & I Comp. Insurance	-	-	18	1	-	307	-	-
Unemployment Insurance	-	-	-	5,089	-	-	-	-
Hail Insurance	-	-	3	10	-	-	-	-
BN Geraldine Settlement	-	-	3	-	20	-	-	-
Rural Development	-	-	-	2	-	-	-	-
Historical Soc. Gen.	-	-	-	-	-	6	-	-
Commodity Liq. Trust	-	-	-	1	-	-	-	-
Nonexpendable Trusts								
Permanent Coal Tax	-	-	263	12,908	34,164	44,718	-	-
Land Grants	-	-	234	22,675	6,385	45,166	-	-
Resource Indemnity	-	223	32	2,371	-	7,316	-	-
Education	-	-	-	-	-	935	-	14,488
Parks, Cultural, Aesthetic Projects	-	-	21	512	-	1,842	-	-
BN Geraldine Settlement	-	-	-	2	-	20	-	-
Real Property	-	-	11	191	-	323	-	-
Noxious Weed Mgmt	-	-	1	-	-	-	-	-
Thomas Teakle Trust	-	-	-	-	-	3	-	-
Pension Trusts								
PERS	185	-	3,099	1,726	-	-	-	-
Teachers	-	-	689	60	-	-	-	-
Municipal Police	-	10	2,765	18	-	-	-	-
Unified Firefighters	-	175	3,227	16	-	-	-	-
Sheriffs	-	-	5	15	-	-	-	-
Highway Patrol	-	-	116	8	-	-	-	-
Judges	-	-	65	2	-	-	-	-
Game Wardens	-	-	15	4	-	-	-	-
Volunteer Firefighters	-	-	584	10	-	-	-	-
Agency								
Investment Pool	-	-	32	756	-	-	-	-
Employees Defer. Comp.	-	-	88	-	-	-	-	-
Land Grant Interest	-	-	-	1	-	-	-	-
Perform. Deposits	200	-	-	16	-	-	-	-
Central Payroll	-	-	12,490	2,765	-	-	-	-
Custodial Accounts	-	-	59	71	-	-	-	-
Unissued Warrants	-	-	-	1,647	-	-	-	-
Child Support Collections	-	-	54	674	-	-	-	-
Unclaimed Property	-	-	5	-	-	-	-	-
Intergovernmental	-	-	2	26	-	-	-	-
A & E Advances	-	-	142	2	-	-	-	-
Uncleared Collections	-	-	7	246	-	-	-	-
Bad Debts	-	-	37	118	-	-	-	-
Higher Education								
Current Funds								
General Operating	3,575	-	1,805	3,953	108,280	102	3	-
Designated	-	-	1,273	1,270	1,085	885	48	-
Auxiliary	-	-	524	496	1,011	6,441	-	-
Restricted	-	3,575	606	1,099	704	159	-	53
Fiduciary								
Student Loans	-	-	12	54	3	13	2	-
Endowments	-	-	1	14	12	285	-	-
Agency	-	-	3,366	1,169	-	-	-	-
Plant								
Unexpended	-	-	217	83	3,014	2,814	-	-
Renewal & Replacement	-	-	317	175	3,545	2,007	-	-
Retirement of Indebtedness	-	-	157	342	10,174	5,058	-	-
Totals	$64,825	$64,825	$113,453	$113,453	$401,414	$401,414	$14,738	$14,738

* These residual equity transfers are reflected in contributed capital on the balance sheet.

6. **STATE DEBT**

General Information - The State has no constitutional limit on its power to issue obligations or incur debt other than a provision that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenues. The Board of Examiners (consisting of the Governor, Secretary of State and Attorney General) is authorized, pursuant to various enabling acts, to issue bonds and notes of the State.

Short-Term Debt - The Board of Examiners, upon recommendation of the Department of Administration, may issue notes in anticipation of the receipt of taxes and revenues. No notes may be issued to refund outstanding notes. The notes must be redeemed by the end of the fiscal year in which issued.

Long-Term Debt - The full faith, credit and taxing powers of the State are pledged for the payment of all general obligation debt. Revenue bonds and mortgage bonds are secured by a pledge of resources from the facilities to which they relate and by certain other revenues, fees and assets of the State and the various colleges and universities. Long-term debt (excluding bonds/notes of Enterprise Funds discussed elsewhere in this footnote; Leases - Note 7; and Compensated Absences - Note 1) of the State at June 30, 1990, is as follows (in thousands):

				Principal Payments		
General Obligation Debt	Series	Amount Issued	Interest Range (%)	FY 1991	In Year of Maturity	Balance June 30, 1990
Highway Bldg Complex	1976	$ 7,400	4.1-6.1	$ 450	$ 600 (1996)	$ 3,135
GO Refunding	1983A	58,160	8.875-9.5	800	590 (2010)	53,885
Long-Range Bldg Program	1983B	39,330	6.0-8.2	6,670	195 (1995)	8,525
SRS Building (1)	-	1,640	9.0	104	72 (1997)	860
Water Development Program	1983C	1,300	6.0-8.2	225	225 (1991)	225
Water Development Program	1984A	900	8.4-9.2	50	150 (1996)	800
Long-Range Bldg Program	1985A	8,550	5.75-8.0	1,500	150 (2001)	3,775
Water Dev. Program (2)	1985B	1,000	5.75-7.7	50	175 (1996)	800
Renewable Resource Development (2)	1985C	1,100	5.75-7.7	50	200 (1996)	900
Water Development Program	1985D	1,000	5.5-6.875	100	125 (1996)	675
Water Development Program	1988	500	9.4	10	50 (2009)	490
Water Development Program	1989B	500	8.55	10	50 (2010)	500
Long-Range Bldg Program	1989	3,540	6.25	630	795 (1995)	3,540
Total General Obligation Debt		$124,920		$10,649		$ 78,110
Special Revenue Bonds						
Department of Highways (3)	1987	$150,000	5.5-7.2	$ -	$16,600 (2006)	$150,000
Water Dev. Program (4)	1985A	16,865	5.75-9.625	360	1,295 (2006)	11,505
Water Dev. Program (4)(5)	1985B	11,500	9.0	300	1,200 (2007)	10,800
Water Conservation (6)	-	535	3.463-5.0	14	3 (2016)	368
Broadwater Power Project (4)(7)	1987A	22,200	12.0	-	2,400 (2018)	22,200
Water Dev. Program (4)	1987C	1,215	5.5-7.6	30	120 (2008)	1,160
Water Dev. Program (4)	1988A	1,720	6.75-7.3	45	160 (2009)	1,680
Water Dev. Program (4)	1989A	6,000	5.7-6.9	155	520 (2010)	6,000
Broadwater Power Project (4)(8)	1990A	3,800	9.5	-	505 (2002)	3,800
Total Special Revenue Bonds		$213,835		$ 904		$207,513
TOTAL GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP						$285,623

(1) Chapter 242, 1974 Laws of Montana authorized a lease-purchase contract commencing November 1, 1976.
(2) Series 1985 B and 1985 C are additionally secured by a pledge of and payable from certain coal severance taxes. Series 1985 B is also secured by a pledge of loan repayments from loans made from the proceeds thereof.
(3) First payment of $7,820,000 is due in 1994.
(4) Issued by the Department of Natural Resources and Conservation (DNRC) and backed by a pledge of coal severance taxes.
(5) Adjustable convertible extendable securities - debt service assumed at 9%. An irrevocable direct-pay Letter of Credit was provided by the Los Angeles Agency of the Long Term Credit Bank of Japan, Limited.
(6) Bonds were sold to Farmers Home Administration.
(7) First payment of $700,000 is due in 2003.
(8) Bonds were sold to the Board of Investments. First payment is due December 1, 1991.

Board of Regents Issues Higher Education Units	Series	Amount Issued	Interest Range (%)	Principal Payments FY 1991	Principal Payments In Year of Maturity	Balance June 30, 1990
Pooled Equip. Financing (U of M & EMC)	1985/1988A	$ 13,200	5.50-8.0	$ 589	$1,398 (1993)	$ 4,669
University of Montana (U of M)	1987A-B/1985A-B	21,784	5.0-9.75	985	1,660 (2008)	15,790
Montana State University (MSU)	1985A/1986A/1987A	43,690	5.1-8.65	680	7,345 (2010)	41,480
Montana College of Mineral Science & Technology (TECH)	1986A	6,745	4.5-7.625	135	1,070 (2010)	6,255
Eastern Montana College (EMC)	1985B/1988A	11,440	5.25-8.375	340	1,160 (2004)	10,295
Northern Montana College (NMC)	1986C/1987A	1,670	5.75-8.75	76	140 (2008)	1,471
Western Montana College (WMC)	1966B-D/1967A-B/1985B	1,926	3.0-7.75	78	16 (2007)	810
		$100.455		$2.883		$ 80,770
Higher Ed Nonbonded Debt						
EMC Mortgage Payable		$ 170	10.5	$ 17	$ 17 (1993)	$ 51
EMC Computer Site Note Payable		100	None	10	10 (1993)	30
U of M Mortgage Payable		105	Varies Yearly	2	2 (2012)	99
Total Higher Education Nonbonded Debt		$ 375		$ 29		$ 180
TOTAL HIGHER EDUCATION FUNDS' BONDS/NOTES PAYABLE						$ 80,950

Debt service requirements (principal and interest) for long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds are as follows (in thousands):

Fiscal Year Ending June 30	General Obligation Debt	Special Revenue Bonds	Higher Ed Revenue Bonds	Non-Bonded Debt	Total Requirements
1991	$ 16,852	$ 16,594	$ 9,116	$ 43	$ 42,605
1992	15,425	16,752	9,851	41	42,069
1993	14,993	16,827	9,095	39	40,954
1994	15,731	24,380	7,928	11	48,050
1995	14,941	24,325	7,955	11	47,232
1996+	29,600	306,042	104,744	168	440,554
Totals	$ 107,542	$ 404,920	$ 148,689	$ 313	$ 661,464

A summary of changes in long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds for the fiscal year ending June 30, 1990, follows (in thousands):

	Balance July 1, 1989	Issued	Retired	Balance June 30, 1990
General Obligation Debt	$ 83,390	$ 4,040	$ 9,320	$ 78,110
Special Revenue Bonds	200,023	9,800	2,310	207,513
Higher Ed Revenue Bonds	83,434	-	2,664	80,770
Nonbonded Debt	208	-	28	180
Totals	$ 367,055	$ 13,840	$ 14,322	$ 366,573

Refunded Bonds

In January 1990, the Department of Natural Resources and Conservation issued $3.8 million of Coal Severance Tax Bonds with an interest rate of 10.5%. The Department used $1.6 million of the bond proceeds to fully redeem the 1987 Series B Coal Severance Tax Bonds; as a result, the 1987 Series B Bonds are defeased and the liability for those bonds has been removed from the General Long-term Debt Account Group. The Department reduced its total debt service requirements by $111,450 which resulted in an economic gain of $100,751.

In prior years, the State of Montana and the Board of Regents of Higher Education have issued general obligation and revenue refunding bonds, the proceeds of which were used to defease certain bond issues already outstanding. The proceeds of the refunding issues were placed in escrow accounts and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. Accordingly, the debt is considered defeased for financial reporting purposes and the liability for the defeased bonds is not included in the financial statements. At June 30, 1990, the defeased bonds outstanding are as follows (in thousands):

General Obligation	$ 36,735
Special Revenue	27,890
Higher Education Revenue	57,694
Total	$122,319

Enterprise Funds

-**Board of Housing (BOH) Revenue Bonds** - The Montana Board of Housing (Housing Authority) is authorized to have an aggregate of $975 million of housing mortgage bonds outstanding. The bonds are payable from mortgage loan repayments and investment earnings. All bonds issued to date are secured by federally insured or guaranteed mortgages. Statutory provisions exist wherein the Governor shall include in the executive budget submitted to the Legislature the sum required to fund possible future deficiencies in required reserves; however, the Legislature is not legally required to appropriate funding for such deficiencies. None of the outstanding bonds were issued under these provisions. Amounts reported in the Enterprise Fund for the Board of Housing were reproduced from their most recent audit report, which received an unqualified opinion dated September 27, 1990.

BOH Revenue Bonds (net) outstanding at June 30, 1990, were as follows (in thousands):

Program	Series	Amount Issued	Interest Range (%)	Principal Payments FY 1991	Principal Payments In Year of Maturity	Balance June 30,1990
Single Family I	1977A	$ 21,470	4.5-8.0	$ 690	$ 1,850 (2008)	$ 13,270
	1977B	35,060	4.15-8.0	1,125	3,160 (2008)	22,035
	1978A	13,600	5.05-8.0	435	1,115 (2009)	8,800
	1987A	20,000	5.3-8.625	325	1,240 (2018)	18,470
	198781-B2	20,000	6.25-9.0	190	1,050 (2019)	18,855
	1988A1-A2	19,999	5.4-8.5	175	3,580 (2019)	20,022
Subtotal		$130,129		$ 2,940		$101,452
Single Family II	1979A	$100,000	5.1-6.8	$ 4,110	$ 9,670 (2011)	$ 70,700
	1980A	50,000	7.7-9.0	2,000	5,510 (2012)	35,135
	1982A	55,000	8.5-13.5	-	785 (2006)	8,235
	1983A	30,000	5.25-9.875	580	1,835 (2008)	21,630
	1983B	55,000	8-9.625	1,185	2,310 (2008)	38,065
	1983C	114,998	5.75-10.7	2,445	11,540 (2010)	70,338
	1984A	75,002	7.0-10.375	2,110	13,680 (2010)	54,004
	1985A	40,000	5.5-9.75	1,275	5,170 (2016)	32,146
	1985B	74,997	5.7-9.75	1,160	2,740 (2017)	38,853
Subtotal		$594,997		$14,865		$369,106
Single Family III	198881-B2	25,000	6.2-8.9	200	2,100 (2020)	24,950
Single Family IV	1989A1-A2	25,000	7.0-9.2	95	2,190 (2020)	25,000
Single Family V	1990A1-A2	25,000	6.2-8.525	-	2,010 (2021)	25,000
Single Family VI	199081-B2	25,000	6.2-8.5	-	2,010 (2022)	25,000
Multifamily	1978A	$ 4,865	6.125	$ 45	$ 645 (2019)	$ 4,560
	1979A	8,660	5.4-6.875	75	905 (2021)	8,055
	1982A	1,945	12.75	5	220 (2023)	1,925
Subtotal		$ 15,470		$ 125		$ 14,540
TOTAL		$840,596		$18,225		$585,048
Less: Unamortized discounts/premiums (net)						(388)
TOTAL BOH BONDS PAYABLE (net)						$584,660

Debt service requirements (principal & interest) for all BOH programs are as follows (in thousands):

1991	1992	1993	1994	1995	1996 +	Total
$62,670	$61,113	$61,208	$61,235	$61,728	$1,090,259	$1,398,213

-Economic Development & Municipal Finance Consolidation Act Bonds (EDB) - This program is directed by the nine-member Board of Investments, administered by the Department of Commerce. This program assists Montana's small businesses and local governments in obtaining long-term, fixed rate financing through private Montana lending institutions. Outstanding obligations are as follows (in thousands):

Program	Series	Amount Issued	Interest Range (%)	Principal Payments FY 1991	Principal Payments In Year of Maturity	Balance June 30,1990
Industrial Development Revenue Bonds (Pooled Loan) (1)	1984A-G	$ 3,650	7.0-10.75	$ 100	$ 570 (2006)	$ 3,295
Industrial Development Revenue Bonds (Pooled Loan) (1)	1985A-L	4,925	6.75-10.1	90	395 (2007)	3,230
Municipal Finance Consolidation Act Bonds (Cash Anticipation Financing) (2)	1987	6,500	4.125-15	-	3,970 (1995)	3,970
Municipal Finance Consolidation Act Bonds (Intermediate Term Capital) (2)	1988	5,000	5.375-15	-	4,880 (1996)	4,880
Municipal Finance Consolidation Bonds Irrigation Program (2),(3)	1988	4,976	6.60-7.75	80	560 (2013)	4,851
Municipal Finance Consolidation Act Bonds (2)	1989	9,485	6.00	9,485	9,485 (1990)	9,485
TOTAL BONDS PAYABLE		$34,536		$9,755		$29,711
Conservation Reserve Enhancement Program (CRP Notes) (4)	1990	4,864	variable	4,864	4,864 (1990)	4,864
TOTAL BONDS/NOTES PAYABLE		$39,400		$14,619		$34,575

(1) These bonds, which may not aggregate more than $75 million, are limited obligations of the Board of Investments payable solely from and secured by certain revenues and assets pledged pursuant to an Indenture of Trust. The bonds do not constitute a debt, liability or legal obligation of the State of Montana. However, if the balance in the "Capital Reserve Account A" falls below the indenture requirement, the Governor is required to request the Legislature to appropriate funds to restore the balance. The Legislature may, but is not legally obligated to, appropriate funds to correct any such deficiency. Principal payments (accrued interest to be added) are due each March 15. Series 1985 J ($665,000) and Series 1985 B ($690,000) were recalled on March 15 and December 15, 1988, respectively, without a gain or loss on extinguishment.

(2) These bonds, which may not aggregate more than $50 million, were issued to provide funds to finance the purchase of tax or revenue anticipation notes (TRANS) of participating local government units. The bonds are not a debt or liability of the State of Montana. The bonds are limited obligations of the Board of Investments payable solely from repayments of principal and interest on local government TRANS, proceeds of a loan made by the Board of Investments and investment income.

(3) These bonds were issued for the purpose of providing funds for the Board of Investments, State of Montana to purchase the Refunding Bonds of participating Irrigation Districts for the purpose of prepaying the U.S. Department of Interior, Bureau of Reclamation Projects Loans. The Irrigation Bonds and the interest thereon are payable solely from the collection of a special tax or assessment which are a lien against real property in the Irrigation District. The Irrigation Bonds are not obligations of the State of Montana. However the Irrigation Bonds are limited obligations of the Board of Investments of the State of Montana due to an irrevocable pledge to lend money for deposit by the Trustee of

the Irrigation District Pooled Loan Program Reserve Account E in an amount to any deficiencies therein on any payment date. The indenture does not permit the issuance of additional bonds.

(4) During fiscal year 1990 the Board of Investments developed the Conservation Reserve Enhancement Program (CRP). This program provides immediate funds to Montana farmers by purchasing the Farmers' Agriculture Stabilization and Conservation Services Annuities. These loans were funded by Bond Anticipation Notes (BANS) purchased by the Montana In-State Investment Program. The BANS carry a December 31, 1990, maturity date and will be converted to a separate bond issue.

Debt service requirements (principal & interest) for EDB are as follows (in thousands):

1991	1992	1993	1994	1995	1996+	Totals
$17,372	$2,377	$2,511	$2,341	$2,508	$17,490	$44,599

Internal Service Fund - Certificates of Participation were issued by the State of Montana to provide the funds to purchase the States' telecommunications system as follows (in thousands):

Description	Series	Amount Issued	Interest Range (%)	Principal Payments FY 1991	Principal Payments In Year Of Maturity	Balance June 30, 1990
Certificates of Participation	1988	$6,280	4.75-5.90	$1,320	$625 (1994)	$4,795

Debt service requirements (principal & interest) for the Certificates are as follows (in thousands):

1991	1992	1993	1994	Total
$1,553	$1,545	$1,544	$643	$5,285

SCHEDULE OF PRINCIPAL REQUIREMENTS TO MATURITY - REFUNDED ISSUE

	1991	1992	1993	1994	TOTAL
1983 Certificates of Participation	$1,245	$1,355	$1,485	$1,600	$5,685

- No-Commitment Debt - Information is presented below for financing authorities participating in debt issues. The State has no obligation for this debt. Accordingly, these bonds and notes are not reflected in the accompanying financial statements.

- Montana Health Facility Authority (MHFA) - The MHFA is authorized to issue bonds and notes to finance projects for qualifying health institutions. The obligations issued by MHFA do not constitute a debt, liability, obligation or pledge of faith and credit of the State of Montana. At June 30, 1990 the MHFA had issued bonds and notes as follows (in thousands):

Project	Date of Issue	Amount Issued	Amount Outstanding
Billings Deaconess Hospital	February 1985	$ 18,000	$17,800
West Mont Home Health Services	June 1985	440	363
Various Loan Projects	December 1985	66,900	39,200
Bozeman Deaconess Foundation	July 1987	16,025	15,390
Various Loan Projects	October 1988	1,461	1,377
St. Peters Community Hospital	March 1989	9,365	9,160
Kalispell Regional Hospital	June 1990	14,475	14,475
Total		$126,666	$97,765

-Montana Agricultural Loan Authority (MALA) - The MALA is authorized to issue bonds to finance projects for beginning farmers within the State if it appears, after a properly noticed public hearing, that the project is in the public interest of the State. These non-recourse, industrial development revenue bonds do not constitute a debt, liability or obligation of the State of Montana. The amount issued and outstanding at June 30, 1990 is as follows:

(1) Linger Project - issued $112,200; outstanding $66,123
(2) Jorgensen Project - issued $81,600; outstanding $67,944.

7. LEASES/INSTALLMENT PURCHASES

The State has entered into various capital and operating leases for land, buildings and equipment. Lease contracts are required by law to contain a clause indicating continuation of the lease is subject to funding by the Legislature. It is expected that in the normal course of operations most of these leases will be replaced by similar leases. Changes in capitalized leases/installment purchases follow (in thousands):

	Balance July 1, 1989	Additions (Deductions)	Balance June 30, 1990
General Long-Term Obligations	$ 676	$ 663(1)	$ 1,339
Proprietary Fund Types			
Enterprise Fund	$ 357	$ (191)	$ 166
Internal Service Fund	6,635	(656)	5,979
Total Proprietary	$ 6,992	$ (847)	$ 6,145
Higher Education Funds	$ 950	$ (240)	$ 710
Total Capitalized Leases/ Installment Purchases	$ 8,618	$ (424)	$ 8,194

(1) This amount consists of $869,000 as additions; 31,000 as adjustments; and 237,000 as deductions.

Future minimum lease payments under capital leases/installment purchases are as follows (in thousands):

Fiscal Year Ending June 30	General Long-Term Obligations	Proprietary Fund Types		Higher Education Funds	Totals
		Enterprise	Internal Service		
1991	$ 418	$ 166	$ 2,185	$ 379	$ 3,148
1992	387	-	2,091	256	2,734
1993	372	-	1,814	145	2,331
1994	239	-	531	55	825
1995	120	-	239	11	370
After 1995	162	-	445	-	607
Total minimum payments	$ 1,698	$ 166	$ 7,305	$ 846	$ 10,015
Less: Interest	(359)	-	(1,326)	(136)	(1,821)
Present value of minimum payments	$ 1,339	$ 166	$ 5,979	$ 710	$ 8,194

Operating Leases - Total rental payments for operating leases in fiscal year 1990 were $3,024,000. Future rental payments for operating leases are as follows (in thousands):

Fiscal Year Ending June 30	Amount
1991	$2,303
1992	1,362
1993	576
1994	376
1995	293
After 1995	328
Total future rental payments	$5,238

8. FIXED ASSETS

Fixed asset valuation is based on actual or estimated historical cost or, in the case of donations, fair market value on the date donated. Infrastructure fixed assets are generally not capitalized. Interest incurred during construction is not capitalized for general fixed assets or higher education units' fixed assets.

Fixed assets in Proprietary, Nonexpendable Trust and Pension Trust Funds are accounted for within their respective funds. They are depreciated on a straight-line basis with estimated useful lives of 30-50 years for buildings, 20 years for improvements and 4-12 years for equipment.

The State's general fixed assets are not depreciated in the General Fixed Assets Account Group. When purchased, such assets are recorded as expenditures in the governmental type funds and Expendable Trust Funds.

Higher Education Units' fixed assets and intangible assets are accounted for in the Investment in Plant Fund and are not depreciated.

Intrafund transfers of fixed assets have not been eliminated in the table below or in the accompanying financial statements.

Changes in fixed asset (long-lived assets for Higher Education Funds) balances for the fiscal year ended June 30, 1990, follow (in thousands):

	Balance July 1, 1989	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 1990
PROPRIETARY FUNDS				
Land	$ 926	$ -	$ -	$ 926
Buildings/Improvements	3,444	1,527	1,324	3,647
Equipment*	94,036	9,436	6,371	97,101
Other Fixed Assets	15	-	-	15
Construction in Progress	188	2,890	1,121	1,957
Subtotal/Total	98,609	$ 13,853	$ 8,816	103,646
Accumulated Depreciation*	(42,317)			(47,164)
Total	$ 56,292			$ 56,482
NONEXPENDABLE TRUST FUNDS				
Land	$ 49,399	$ -	$ -	$ 49,399
PENSION TRUST FUNDS				
Land	$ 60	$ -	$ -	$ 60
Buildings/Improvements	342	-	-	342
Equipment	159	30	-	189
Subtotal/Total	561	$ 30	$ -	591
Accumulated Depreciation	(229)			(254)
Total	$ 332			$ 337
GENERAL FIXED ASSETS ACCOUNT GROUP				
Land	$ 49,345	$ 3,147	$ 265	$ 52,227
Buildings/Improvements	208,280	13,984	4,383	217,881
Equipment*	75,674	11,954	8,006	79,622
Other Fixed Assets	27,391	15,927	13	43,305
Construction in Progress	8,503	3,161	6,165	5,499
Total	$ 369,193	$ 48,173	$ 18,832	$ 398,534
HIGHER EDUCATION FUNDS				
Land	$ 9,780	$ 776	$ 76	$ 10,480
Buildings/Improvements	263,457	17,117	9,283	271,291
Equipment	90,345	14,446	19,207	85,584
Other Fixed Assets	51,091	421	800	50,712
Construction in Progress	3,949	74	1,209	2,814
Intangible Assets	1,010	118	9	1,119
Total	$ 419,632	$ 32,952	$ 30,584	$ 422,000

* The Fiscal Year 1989 balances have been restated to reflect the change in accounting entity for the State Compensation Mutual Insurance Fund. See Note 2.

9. COMMITMENTS

Highway Construction - At June 30, 1990, the Department of Highways had contractual commitments of approximately $80.8 million for construction of various highway projects. Funding for these highway projects is to be provided from federal grants and matching special revenue funds.

Capital Construction - At June 30, 1990, the Department of Administration, Architecture & Engineering Division, had contractors commitments of approximately $34.3 million for capital projects construction. Funding for these projects is to be provided from special revenue funds, capital projects funds, and higher education funds.

Proprietary Fund Types' Commitments - Fixed budgets are legally adopted in Enterprise and Internal Service Funds (excluding depreciation, compensated absences and bad debt expense). Current year appropriations may be committed for goods/services that are not received as of fiscal year-end. These executory commitments are included in unreserved retained earnings in the accompanying financial statements as follows (in thousands):

	AMOUNT
Enterprise Funds	
Housing Authority	$ 6
State Compensation Mutual Insurance Fund	62
Economic Development Bonds	3
Liquor Stores	9
State Lottery	6
Prison Industries	2
FWP Snowgroomer Rental	7
Historical Society Publications	77
Health Facilities Authority	4
Total Enterprise Funds' Commitments	$ 176
Internal Service Funds	
Highway Equipment	$1,523
Communications	11
Central Data Processing	118
FWP Equipment	95
Motor Pool	3
Admin. Property & Supply	38
Publications & Graphics	2
Buildings & Grounds	251
Commerce Central Services	8
FWP Warehouse Inventory	32
Mail & Messenger	1
Aircraft Operation	18
OPI Central Services	14
Labor Central Services	59
Total Internal Service Funds' Commitments	$2,173
Total Proprietary Fund Types' Commitments	$2,349

10. FUND DEFICITS

The following funds have a deficit fund balance/retained earnings found on the operating statements for June 30, 1990, (in thousands):

Capital Projects Fund Type	Amount	
Federal/Private Construction Grant	$ (5)	
Enterprise Fund Type		
State Compensation Mutual Insurance	(222,650)	See Footnote #18
Department of Agriculture	(177)	
Internal Service Fund Type		
DHES Indirect Cost Pool	(119)	
Administration - Legal	(11)	
Labor Central Services	(35)	
Higher Education Fund Type		
General Operating Subfund	(10,832)	Result of recording compensated absences

11. PROPRIETARY RESERVED FUND BALANCES

Proprietary fund balances are reserved as follows (in thousands): Enterprise - Reserved for Debt Service $59,273 and Reserved for Employee Benefits $11,897. Internal Service - Reserved for Insurance Claims $5,636.

12. RETIREMENT SYSTEMS

Defined Contribution Plans - Effective January 1, 1988, eligible employees of the Montana University System (MUS) could elect to participate in the Optional Retirement Program (ORP). The ORP is a defined contribution retirement plan governed by Title 19, Chapter 21 of the Montana Code Annotated. The plan is underwritten by the Teachers' Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) and only faculty and staff with contracts under the authority of the Board of Regents may elect to participate. Those faculty and staff members who do not elect ORP must participate in the Teachers' Retirement System, a defined benefit plan discussed in the next section.

The benefits at retirement depend upon the amount of contributions, amount of investment gains and losses and the employee's life expectancy at retirement. Under the ORP, each employee enters into an individual contract with TIAA-CREF. Individuals are immediately vested with all contributions. Higher education units record employee/employer contribution expenditures in the affected Higher Education Subfund when remitting contributions to the Commissioner of Higher Education. These moneys are recorded in the Custodial Accounts Agency Fund. The Commissioner's Office then wire transfers the contributions to TIAA-CREF. The MUS is not liable for asset management or for providing benefits after the required contributions have been made to TIAA-CREF. Approximately 25% of eligible employees are members of the ORP. New employees have 90 days to make an election. Elections to a retirement plan are irrevocable during active employment. Employee contributions are 7.044% of salary and employer contributions are 2.956% of salary for a total of 10% of salary contributed to the ORP. There were no related party transactions in the current reporting period.

	TIAA-CREF (in thousands)
Covered Payroll	$ 15,260
Total Payroll	60,788
Employer Contributions	$ 451
Percent of Covered Payroll	2.956%
Employee Contributions	$ 1,075
Percent of Covered Payroll	7.044%

Defined Benefit Plans - The State contributes to nine retirement systems in three categories: (A) the State as the single employer; (B) the State as an employer contributor to cost-sharing multiple-employer plans; and, (C) the State as a nonemployer contributor to cost-sharing multiple employer plans. The number of years required to obtain vested rights varies among the systems. All systems provide early retirement options, death benefits, termination (except VFRS) and disability benefits. Only HPRS, MPORS and FURS provide post-retirement benefits. The systems' funding policies provide for periodic employer and employee contributions (except VFRS) at rates specified by State law; contribution requirements are not actuarially determined. An actuary determines the actuarial implications of the funding requirement in a biennial actuarial valuation. VFRS is in the process of being valuated. The actuarial method used to determine the implications of the statutory funding level is the entry age normal funding method, with both normal cost and amortization of the unfunded accrued liability determined as a level percentage of payroll. To maintain the fund on an actuarially sound basis, the rate of contributions should fund the normal cost in addition to amortizing the unfunded liability over a period of 40 years. The Contributions Required (R) by State/Actual (A) Contributions section contains the number of years needed to fund the normal cost and amortize the unfunded liability. Additionally, each system functions uniquely as described below:

(A) State as the Single Employer

HPRS - Highway Patrolmen's Retirement System - This system, established in 1971 and governed by Title 19, Chapter 6 of the Montana Code Annotated, provides retirement services for all members of the Montana Highway Patrol, including supervisory personnel. For members hired prior to July 1, 1985, there is no minimum age but minimum service is 20 years for benefit eligibility. A member hired after July 1, 1985, must be 50 years old and have 20 years of creditable service for benefit eligibility. The service retirement allowance is based on a formula of 2% times the number of years of service times the final average salary. Post-retirement benefits are 2% of a probationary highway patrolman's salary adjusted for years of service. Ten years of service constitutes the basis for vested rights.

JRS - Judges' Retirement System - This system, established in 1967 and governed by Title 19, Chapter 5 of the Montana Code Annotated, provides retirement services for all persons employed as a judge of a district court or justice of the Supreme Court. Minimum service is 5 years and minimum age is 65 for benefit eligibility. The monthly retirement allowance formula is 3 1/3% times the number of years of service (to a maximum of 15 years) times the current monthly salary, plus 1% of such monthly salary for each year of service after 15 years. The JRS retirees can receive an increase in benefits based on legislative action. Five years of creditable service determines the basis for vested rights.

GWRS - Game Wardens' Retirement System - This system, established in 1963 and governed by Title 19, Chapter 8 of the Montana Code Annotated, provides retirement services for all persons employed as a game warden, including all supervisory personnel. Minimum age is 50 and minimum years of service are 20 for benefit eligibility. The formula for a service retirement allowance is 2% times the number of years of service times the final average salary. Ten years of service is required for vested right privileges.

(B) State as an Employer Contributor to a Cost-Sharing Multiple-Employer

PERS - Public Employees' Retirement System - This mandatory system, established in 1945 and governed by Title 19, Chapter 3 of the Montana Code Annotated, provides retirement services to substantially all public employees. Benefit eligibility is age 60 with at least 5 years of service; age 65 regardless of service; or 30 years of service regardless of age. Actuarially reduced benefits may be taken with 25 years of service or at age 50 with at least 5 years of service. Beginning January 1, 1989, monthly retirement benefits are determined by taking 1/56 times the number of years of service times the final salary. Members' rights become vested after 5 years of service.

TRS - Teachers' Retirement System - This mandatory system, established in 1937 and governed by Title 19, Chapter 4 of the Montana Code Annotated, provides retirement services to all persons employed as teachers or professional staff of any public elementary or secondary school, vocational-technical center or unit of the university system. Eligibility is met with a minimum of 25 years of service or age 60 with 5 years of creditable service. The formula for annual benefits is 1/60 times creditable service times the final compensation. Rights are vested after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits.

(C) State as a Nonemployer Contributor to a Cost-Sharing Multiple-Employer

MPORS - Municipal Police Officers' Retirement System - The system, established in 1975 and governed by Title 19, Chapter 9 of the Montana Code Annotated, covers all municipal police officers of cities covered by the plan. Minimum years of service are 20 for benefit eligibility. There is no minimum age if first employed on or before July 1, 1975; age 50 if first employed after that date. Any officers meeting the service year requirements shall receive 1/2 their final average salary. For service greater than 20 years, the allowance will increase 1% of the final average salary per year of additional service up to a maximum of 60% of final average salary. Post-retirement benefits for those retiring before July 1, 1975, is the amount needed to provide 50% of the base salary of a newly confirmed police officer. Post-retirement benefits for those retiring between July 1, 1975, and July 1, 1985, are limited to the 1985 salary of a newly confirmed police officer. Rights become vested after 10 years of service.

FURS - Firefighters' Unified Retirement System - This system, established in 1981 and governed by Title 19, Chapter 13 of the Montana Code Annotated, provides retirement services for all paid firefighters. For members hired prior to July 1, 1981, who retire after attaining age 50 and completing 20 years of service, the monthly service retirement benefit is equal to 1/2 of the final monthly compensation received plus an additional 1% for each year of service in excess of 20 years, up to a maximum of 60%. For those hired after July 1, 1981, or who retire prior to completing 20 years of service, the retirement allowance is equal to 2% of the final average salary for each year of service, up to a maximum of 60%. Post-retirement benefits require that each retiree receive at least 50% of the salary paid a newly confirmed active firefighter. Rights become vested after 10 years of service.

SRS - Sheriffs' Retirement System - This system, established in 1974 and governed by Title 19, Chapter 7 of the Montana Code Annotated, covers all persons employed as sheriffs. Minimum years of service for benefit eligibility are 24 for members elected or appointed prior to July 1, 1989. For members elected or appointed after July 1, 1989, the minimum years of service are 24 and the minimum age is 50. The service retirement allowance is calculated at 2% of the final average salary for each of the first 25 years of creditable service, plus 1.35% of the average monthly salary for each year of service in excess of 25 years, up to a maximum of 60% of earnings. Reduced benefits for early retirement may be taken with a minimum 15 years of service and minimum age of 50. After 10 years of service, an employee has a vested right to service retirement benefits.

VFRS - Volunteer Firefighters' Retirement System - This system, established in 1965 and governed by Title 19, Chapter 12 of the Montana Code Annotated, provides medical benefits and retirement, disability and death benefits for all volunteer firefighters of unincorporated areas. This retirement system is required by law to be fully funded and cannot pay benefits unless money is available. Rights become vested after 20 years of service.

Actuarial valuations are performed every two years excluding the VFRS. Data for the VFRS is not readily available for an actuarial valuation. The Public Employees' Retirement Division which administers the VFRS is currently in the process of developing a database to provide the necessary data for an actuarial valuation. Hendrickson, Miller & Associates Inc., Helena, MT, prepared the actuary reports for the other eight retirement systems and is responsible for completing the actuarial valuation for the VFRS. The following table discloses various information by retirement system (dollar amounts expressed in thousands) as of June 30, 1990. Although specific total payroll amounts are not available, substantially all of total payroll is covered.

	HPRS	JRS	GWRS	PERS	TRS	MPORS	FURS	SRS	VFRS
Plan Descriptions									
Total Covered Payroll	$ 5,171	$ 2,199	$ 2,248	$475,612	$396,235	$10,307	$10,007	$11,785	N/A
State Covered Payroll	$ 5,171	$ 2,199	$ 2,248	$249,040	$ 63,271	N/A	N/A	N/A	N/A
Related Party Disclosures									
Related Parties	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	N/A

	HPRS	JRS	GWRS	PERS	TRS	MPORS	FURS	SRS	VFRS
Membership									
Receiving Benefits	182	26	58	10,084	6,558	422	384	85	506
Vested Term. Employee	1	5	3	466	5,217	12	10	5	N/A
Non-vested Term. Employee	7	-	-	7,262	-	4	19	51	N/A
Vested Active Employees	142	30	62	16,495	10,457	297	71	191	N/A
Non-vested Active Employees	53	12	26	10,005	5,245	136	349	317	N/A
Total	385	73	149	44,312	27,477	871	833	649	
Funding Status & Progress									
Last Actuarial Valuation	7/01/90	7/01/90	7/01/90	7/01/90	6/30/89	7/01/90	7/01/90	7/01/90	(12)
Actuarial Update	-	-	-	-	6/30/90	-	-	-	(12)
Return on Investments	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	(12)
Projected Salary Increases:									
Inflation	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	(12)
Merit	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	(12)
Changes In Post-retirement	6.5%	NONE	NONE	NONE	NONE	6.5%	6.5%	NONE	(12)
PBO (1):									
Retirees,beneficiaries (2)	$24,391	$ 9,294	$ 6,653	$ 477,758	$ 502,468	$39,242	$46,225	$ 6,370	(12)
Current Employees (3)	5,877	1,474	2,635	286,713	340,092	7,626	8,101	8,355	(12)
Employer-financed vested	14,568	6,334	3,484	314,507	359,965	21,795	14,104	7,292	(12)
Employer-financed non-vested	816	939	95	14,850	4,266	1,626	23,123	1,726	(12)
Total PBO	$45,652	$18,041	$12,867	$1,093,828	$1,206,791	$70,289	$91,553	$ 23,743	(12)
Net Assets Available for Benefits at Cost*	$25,633	$12,944	$10,792	$ 841,196	$ 689,320	$34,724	$34,205	$ 32,910	$7,168
Unfunded PBO	$20,019	$ 5,097	$ 2,075	$ 252,632	$ 517,471	$35,565	$57,348		(12)
Assets in Excess of PBO								$ 9,167	
*At Market Value	$27,515	$13,976	$11,840	$ 946,553	$ 781,815	$36,585	$35,278	$ 34,893	$7,265

Contributions Required (R) by Statute/Actual (A) Contributions (4) (Statute Req. is Actuarially Determined)

Years Req. to Fund Normal Cost & Amortize Unfunded Liab.		31.97	26.72	8.78	21.76	36.31	26.19	33.54	0.0	(12)
Employer Contributions	(A)	$1,702	$ 677	$ 465	$30,520	$30,914	$1,342	$1,306	$ 954	(12)
% of Covered Payroll	(A)	32.9%	30.8%	20.7%	6.417%	7.802%	13.02%	13.05%	8.10%	(12)
% of Covered Payroll	(R)	26.75% (5)	6.0% (6)	7.15% (7)	6.417%	7.459%	13.02%	13.02%	7.67%	(12)
Employee Contributions	(A)	$ 447	$ 165	$ 198	$32,515	$30,447	$ 714	$ 602	$ 892	(12)
% of Covered Payroll	(A)	8.6%	7.5%	8.8%	6.9%	7.684%	6.9%	6.0%	7.6%	(12)
% of Covered Payroll	(R)	7.59%	6.0% (8)	7.9%	6.15%	7.044%	(9)	6.0%	7.0%	(12)
Other Contributions	(A)	-	-	-	-	-	$2,856	$3,224	-	583
% of Covered Payroll	(A)	-	-	-	-	-	27.7%	32.2%	-	(12)
% of Covered Payroll	(R)	-	-	-	-	-	(10)	(11)	-	(12)

(1) The amounts shown as the PBO ("Pension Benefit Obligation") are standardized disclosure measures of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the systems. The significant actuarial assumptions used in the annual evaluations are the assumptions used in the PBO determination.

(2) Retirees, beneficiaries receiving benefits and terminated employees not yet receiving benefits.

(3) Current employees - accumulated employee contributions including allocated investment earnings.

(4) Actual percentages exceed required percentages (unless otherwise footnoted) because contributions include amounts for buybacks.

(5) The employer's contributions include fees from drivers' licenses and vehicle registrations.

(6) The employer also contributes District Court Fees equal to 31% of covered payroll and 25% of Supreme Court Fees. However, during the year ending June 30, 1990, actual contributions did not cover the year's normal cost.

(7) The employer's contribution includes all collections from fines and forfeited bonds.

(8) For members elected or appointed after July 12, 1983, the contribution rate is 7% of salary.

(9) Members employed before July 1, 1979, contribute 6.0% of salary; members employed after July 1, 1979, contribute 7.5% of salary.

(10) The State uses a premium tax on motor vehicle property and casualty insurance policies to contribute 15.06% of active policemen's salaries. This figure includes $1,207,851 for post-retirement benefits for members retired before July 1, 1985.
(11) The State uses a premium tax on insurance risks to contribute 22.98% of total firemen compensation. This figure includes $942,490 for post-retirement benefits for retired members.
(12) This retirement plan is in the process of being actuarially valuated. The State contributes 5% of fire insurance premium taxes collected.

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Available 10-year trend information for HPRS, JRS, GWRS, PERS, TRS, MPORS, FURS, and SRS are found in the annual reports for these retirement systems.

REQUIRED SUPPLEMENTARY INFORMATION
Analysis of Funding Progress

		HPRS	JRS	GWRS	PERS	TRS	MPORS	FURS	SRS
Net Assets Available for Benefits Expressed as a % of PBO (Percentage Funded)	1988...	51.2%	68.4%	81.6%	73.2%	56.2%	44.9%	32.4%	140.5%
	1989...	53.5%	71.5%	82.2%	73.1%	56.4%	47.4%	34.1%	142.4%
	1990...	56.1%	71.7%	83.9%	76.9%	57.1%	49.4%	37.4%	138.6%
Unfunded PBO, Expressed as % of Annual Covered Payroll	1988...	336.8%	229.6%	84.9%	60.1%	114.2%	361.4%	587.2%	N/A
	1989...	394.4%	222.3%	97.8%	63.7%	133.2%	345.5%	591.5%	N/A
	1990...	387.1%	231.8%	92.3%	53.1%	130.6%	345.1%	573.1%	N/A
Employer Contributions Expressed as a % of Annual Covered Payroll	1988...	25.2%	29.6%	16.9%	6.443%	7.428%	13.02%	13.02%	7.67%
	1989...	26.0%	30.8%	20.0%	6.441%	7.973%	14.05%	13.05%	7.84%
	1990...	32.9%	30.8%	20.7%	6.417%	7.802%	13.02%	13.05%	8.10%

13. SELF-INSURANCE FUNDS

The State of Montana maintains several self-insurance plans. A brief description of each plan and the method of recording transactions are discussed below:

Group Employee Comprehensive Medical and Dental Plan - This plan is fully self-insured, with the State assuming all the risk for claims incurred by employees of the State, elected officials, retirees and their dependents. There is no third party coverage. Premiums are collected through payroll deductions, deductions through the Public Employees' Retirement System and self-payment and are recorded as revenue in the Employees' Group Benefits Enterprise Fund.

In July 1990, incurred but not reported claims were estimated to be $4,979,103 based on a formula provided by Martin E. Segal Company, a consulting actuarial firm; a liability has been recorded in the accompanying financial statements for these estimated claims.

Property Insurance Plans - This self-insurance plan provides coverage for general liability, automobile liability, automobile physical damage, retail liquor stores inventory and inland marine. The State self-insures the $150,000 deductible per occurrence for property insurance. The third party pays the next $50 million per occurrence. Premiums are collected from all State agencies including Higher Education Units and recorded as revenue in the Administration Insurance Internal Service Fund.

A liability of $615,086 is recorded in the accompanying financial statements for those claims assessed by management to result in a probable liability to the State. In addition, retained earnings in the Administration Insurance Internal Service Fund is reserved for payment of claims.

The most recent actuarial report, prepared by Coopers & Lybrand and issued for the accident period 7/1/77-6/30/90, estimates the present fund balance reserve is insufficient by $13.0 million. This compares to a $21.3 million insufficient fund balance reserve identified in the last actuarial report issued for the accident period 7/1/77 through 6/30/88.

Montana University System (MUS) Group Benefits Plan - This plan was authorized by the Regents to provide medical, dental, and vision insurance coverage to employees of the Montana University System, as well as their dependents, retirees, and COBRA members. Through June 30, 1990, the plan is best described by the term minimum premium and is a modified form of self-insurance. Under minimum premium, MUS assumes the liability for claims up to the expected annual amount. If claims exceed the predicted amount, the insurance company (United of Omaha) is liable for excess claims. Each month the University System sends United of Omaha approximately 10% of the premium due (hence the term minimum premium). The balance (90%) is held and invested until needed to pay claims. Premiums are collected from employees through payroll deductions and recorded in the MUS Group Insurance Enterprise Fund. The advantage of a minimum premium plan is that interest is earned on reserves while protecting the plan if claims exceed expected amounts. The incurred but not reported claims are estimated to be $1,642,600 as of June 30, 1990. A liability has been recorded in the accompanying financial statements for these estimated claims.

Beginning July 1, 1990, the MUS Group Benefits Plan is fully self-insured with a stop loss underwritten by United of Omaha at 125% of expected claims. United of Omaha is the claims administrator on the plan. Managed Care Montana (Blue Cross/Blue Shield of Montana) has a contract for utilization management. The utilization management program consists of hospital preauthorization, case management and medical necessity review.

14. SEGMENT INFORMATION

Selected financial information concerning all enterprise operations for the fiscal year ended June 30, 1990, is as follows (in thousands):

	Housing Authority	State Comp. Mutual Insurance	Econ. Dev. Bonds	Employees Group Benefits	Liquor Stores	State Lottery	Other* Enterprise	Total Enterprise
Operating Revenues:								
Charges for Services	$ 57	$ 10	$ 182	$21,591	$36,235	$21,507	$ 3,757	$ 83,339
Investment Earnings	56,924	3,876	2,780	1,404	-	26	319	65,329
Contribs./Premiums	-	91,591	-	-	-	-	9,673	101,264
Taxes	-	-	-	-	8,892	-	-	8,892
Other Revenues	21	44	-	1	1	6	64	137
Operating Expenses:								
Depreciation	29	54	5	4	87	118	76	373
Other	52,027	126,981	3,398	26,359	31,274	17,247	13,296	270,582
Operating Income (Loss)	4,946	(31,514)	(441)	(3,367)	13,767	4,174	441	(11,994)
Nonoperating Revenues (Expenses)	-	-	-	-	(18)	(5)	300	277
Oper. Trans. In (Out)	-	26,967	-	-	(14,021)	(4,169)	57	8,834
Net Income (Loss)	$ 4,946	$ (4,547)	$ (441)	$(3,367)	$ (272)	$ -	$798	$ (2,883)
Current Assets	$ 72,208	$ 75,140	$16,155	$ 6,806	$12,442	$ 2,231	$ 9,436	$ 194,418
Current Liabilities	(7,021)	(23,663)	(1,548)	(210)	(6,068)	(2,790)	(719)	(42,019)
Net Working Capital	$ 65,187	$ 51,477	$14,607	$ 6,596	$ 6,374	$ (559)	$ 8,717	$ 152,399
Total Assets	$652,977	$ 96,621	$37,740	$15,205	$13,931	$ 3,049	$12,493	$ 832,016
Total Liabilities	$591,912	$ 318,476	$36,135	$ 5,199	$ 6,305	$ 3,049	$ 2,460	$ 963,536
Retained Earnings	$ 61,065	$(221,855)	$ 1,605	$10,006	$ 7,626	$ -	$10,033	$(131,520)
Long-Term Obligations	$584,891	$ 294,813	$34,587	$ 4,989	$ 237	$ 259	$ 1,741	$ 921,517
Cur. Yr. Capital Cont.	$ -	$ 207	$ -	$ -	$ -	$ -	$ -	$ 207
Acquisition of Fixed Assets	$ 13	$ 294	$ 8	$ -	$ 41	$ 67	$ 831	$ 1,254
Disposal of Fixed Assets	$ -	$ -	$ 486	$ -	$ 20	$ 218	$ 223	$ 947

1. The Housing Authority provides financing to qualified individuals to purchase residential housing by issuing bonds and carrying federally insured mortgage notes.

2. The State Compensation Mutual Insurance fund provides benefit payments to injured workers and accounts for employer contributions to the fund (See Note 18).

3. The Economic Development Bond Program, administered by the Board of Investments, assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

4. The Employees Group Benefits fund receives non-higher education unit employee withholdings and State contributions to the medical/dental self-insurance plan.

5. The Liquor Division of the Department of Revenue administers the State liquor operations (Liquor Stores). This fund accounts for liquor licensing activities and the sale and distribution of alcoholic beverages.

6. The State Lottery accounts for the operations of Montana's lottery which began in June, 1988.

* Other Enterprise is composed of the following funds (listed by administering agency):

Department of Agriculture	Fish, Wildlife and Parks	Commissioner of Higher Ed.
Department of Agriculture	FWP Snowgroomer Rental	MUS Group Insurance
Department of Commerce	Montana Historical Society	Montana State Prison
Health Facilities Authority	Historical Society Publications	Prison Ranch/Industries
West Yellowstone Airport		
		Fire Services Training School
		Fire Services Training School

15. DEFERRED COMPENSATION PLAN

Since 1976, the State of Montana has offered a deferred compensation plan which allows employees to set aside a portion of their salary each payday towards retirement while deferring the State and Federal income taxes until future years. The payroll deferrals are invested with Nationwide Insurance. All employees of the State are eligible to participate. The plan operates under the sanction of both State and Federal laws (Section 457 of the Internal Revenue Code). The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. In the past, the plan assets have been used for no purpose other than to pay benefits. The State believes that it is unlikely it will use the assets to satisfy the claims of general creditors in the future because of the contractual arrangement with Nationwide Insurance and the State's obligation to participants for their account balance. State statute requires there be no financial liability of the State or a political subdivision for any investment losses incurred by any eligible deferred compensation plan. However, the State does have the duty of care that would be required of an ordinary prudent investor. As of June 30, 1990, the net assets of the plan available for benefits totaled $65.728 million.

The following is a summary of the increases and decreases of this Employees Deferred Compensation Agency Fund for the fiscal year ended June 30, 1990, (in thousands):

Fund Assets (at market value), July 1, 1989	$ 57,229
Deferrals of compensation	6,264
Earnings and adjustment to market value	5,539
Payments to eligible participants and beneficiaries	(2,980)
Administrative expenses	(324)
Fund Assets (at market value), June 30, 1990	$ 65,728

16. UNEMPLOYMENT INSURANCE COMPENSATION

Unemployment compensation benefits are funded in the State through unemployment insurance taxes levied against employers. The funds collected from this tax are deposited in the Unemployment Insurance Clearing Account and transferred daily to a trust fund in Washington, D.C. The United States Secretary of the Treasury is the trustee of this fund. The moneys are then transferred back to the State's Benefit Payment Account for disbursement as unemployment insurance benefits. Transfers are made daily at the request of the Montana Department of Labor and Industry. The benefits are accounted for in an Expendable Trust Fund. As of June 30, 1990, the State's trust fund had a fund balance of $79.047 million.

17. CONTINGENCIES

Litigation - The Blackfeet Tribe sued in 1978 for a declaratory judgment that all taxes on oil and gas produced on lands beneficially owned by the Tribe are invalid. In June 1985, the United States Supreme Court rejected Montana's claim that the taxing proviso in the act of May 29, 1924, applied to oil and gas leases issued pursuant to the Indian Mineral Leasing Act of 1938. The case was thereafter remanded to the district court for further proceedings, including trial if necessary. The parties, however, entered into settlement agreement in July 1987, which has resolved the Tribe's claims. The agreement provided for the payment of $963,000 to the Tribe by the State upon, inter alia, securing releases from certain non-Indian producers who deducted moneys from tribal royalties for the purpose of paying that portion of the challenged taxes attributable to the tribal royalty amount. All required releases have been obtained, and the action has been dismissed against all defendants.

Aside from the tribal claims, various non-Indian producers have initiated State court proceedings alleging the oil and gas taxes are preempted with respect to all production within the Blackfeet, Fort Peck and Rocky Boy Indian reservations. It is also possible these producers may file amended returns to recover additional amounts. Settlement discussions are now ongoing in certain of the producer cases and, in light of Cotton Petroleum Co. v. New Mexico, 109 S. Ct. 1698 (1989), the State believes the probability of an unfavorable outcome is remote.

In January 1989 the State was additionally served with suit by several members of the Blackfeet Tribe, alleging that their on-reservation oil and gas interests had been improperly subjected to the same taxes at issue in the litigation described above and seeking to maintain a class action on behalf of themselves and others similarly-situated tribal members. The case is presently pending on the State's motion to dismiss. It is difficult to assess the merits of the plaintiffs' claims at this time or the State's potential monetary liability.

The Crow Tribe filed suit in 1978 in federal district court seeking a declaration that Montana's coal severance and gross proceeds taxes are invalid as applied to the production of coal on the Crow Reservation and to the production of coal owned by the Tribe located in an off-reservation area, known as the "Crow ceded area" or "ceded strip", which lies roughly between the northern boundary of the reservation and the Yellowstone River. The amount of coal reserved falling within these categories has not been precisely determined. The taxes were alleged to be invalid under a variety of theories, of which the most prominent were that the state taxes conflict with federal policy by preventing the marketing of Crow coal and infringe on tribal sovereignty by depriving the Tribe of revenue needed to provide governmental services to the Crow people. In addition to a declaration that the taxes were invalid, the Tribe sought restitution for an amount equal to the severance and gross proceeds taxes paid by Westmoreland Resources, Inc. (Westmoreland), the only company currently mining coal claimed by the Tribe, together with the interest which accrued to the Coal Severance Tax Trust Fund on the amount of taxes paid.

In January 1983, the court ordered Westmoreland's future severance tax payments placed in escrow pending the outcome of the litigation. The State has received no severance tax payments from Westmoreland with respect to the coal mined on the ceded strip since the entry of this order. Prior to 1983, Westmoreland's annual severance tax payments varied from a low of $5.407 million in 1976 to a high of $7.078 million in 1979.

In June 1987, the Ninth Circuit Court of Appeals ruled that Montana is preempted from applying its severance and gross proceeds taxes on coal within the ceded strip held in trust for the Crow Tribe and on coal mined on the reservation. In August 1987, the State docketed an appeal of the decision to the United States Supreme Court, and in January 1988, that Court summarily affirmed the Court of Appeals' judgment.

As a result of the Supreme Court's affirmance, two principal issues remained in the case, one of which has been resolved. The first issue involved the appropriate disposition of the escrowed moneys, to which the State disclaimed any interest after the Supreme Court's decision, and the district court concluded in September 1988 that these moneys should be paid to the United States in trust for the Tribe. The escrowed funds totaling $30.1 million were eventually distributed in May 1989 to the United States. The second issue, which remains to be resolved, is the Tribe's claim for tax moneys paid by Westmoreland to the State but not escrowed and Westmoreland's claim for the same amounts. The sum of all such nonescrowed coal severance tax monies, exclusive of interest, is approximately $48 million. If interest on such moneys is eventually awarded, their amount will increase substantially. In May 1989, the Tribe estimated the State's liability for interest at approximately $110 million. If the State is eventually held liable for paying interest, the actual amount will depend upon the interest rate judged appropriate and the time period over which it is calculated. Consequently, in the event the State is held liable for paying the interest, the actual amount may vary significantly from the Tribe's last estimate.

The State believes it has meritorious defenses to the Tribe's and Westmoreland's claims, and it has therefore moved for summary judgement with respect to the Tribe's claim.

In 1984 the State started a Major Prison Reconstruction at Deer Lodge, MT. A plumbing contractor defaulted on that portion of the renovation and claimed that the State's architect actually lead to the default. The contractor's insurance company has filed a suit as a recovery action claiming the State is accountable for the actions of its architect. The surety retained a consultant that authored a report assessing liability of the State at $400,000. The state anticipates that it is reasonably possible the insurance company may recover some damages although much less than the amount claimed.

In October 1984, Butte-Anaconda & Pacific Railway company (BA&P) filed an application with the ICC to abandon and discontinue service over its entire line of railroad. BA&P donated the line to the State of Montana, Department of Commerce. The State leased the line to Rarus for operation. On March 14, 1985, Rarus petitioned the ICC under 49 USC Section 10505 to exempt its proposed actions from the provisions of federal law to lease and operate BA&P rail lines. The Rail Labor Executives Association (RLEA) opposed the Rarus petition arguing that the transaction required the imposition of labor protection conditions. The 9th Circuit Court of Appeals remanded the matter to the Great Falls Federal District Court following a U.S. Supreme Court ruling on a case analogous to this matter. The Federal Court has yet to act on this matter. Among the ramifications of the ICC imposition of labor protection conditions will be the declaration of the agreement between BA&P and the Montana Department of Commerce null and void. In addition, it is reasonably possible the State may be severally liable for further penalties along with other defendents in the case; however, the amount of these penalties, if any, cannot be estimated at this time.

In March 1989, the U.S. Supreme Court decided in Davis v. Michigan that a state may not discriminate in the taxation of members of a federal as opposed to a state retirement system. Subsequently, Sheehy et al., v. State of Montana, Department of Revenue was filed in Montana District Court. The action seeks refunds of state income taxes paid on federal retirement benefits. In addition to the law suit, approximately 5,677 claims for a refund have been filed by federal retirees with the Montana Department of Revenue. In July 1990, the District Court denied the plaintiffs' requests for refunds. That decision was appealed to the Montana Supreme Court where it is presently pending. The State extimates the total amount of taxes subject to refund is approximately $12 million exclusive of interest.

The Montana Department of Revenue is involved in two other tax litigation cases that are unrelated to federal retirement benefits. The estimated potential loss for these two cases totals $350,000.

The State is a defendent in numerous lawsuits involving tort claims. Management of the Tort Claims Division evaluated, on a case-by-case basis, the unpaid property and general liability claims filed with the State for the purposes of assessing the probability and estimating the amount of the State's potential liability related to these claims. Management's assessment does not include administrative and legal costs to defend such claims. Based upon this evaluation, management estimates that as of June 30, 1990, the Administration Insurance Internal Service Fund has a reasonably possible liability of $6.467 million for these claims.

Federal Contingencies:

Grants - The State receives federal grants and entitlements for specified purposes which are subject to review and audit by the grantor agencies. Any disallowances resulting from these audits would become the liability of the State. There are no material disallowances reported as of June 30, 1990.

USDA Food Stamp Coupons/Commodities - The State had custodial responsibility for $3,150,000 of USDA food stamp coupons and $2,231,593 in commodities as of June 30, 1990, for which the State is liable in the event of loss. In fiscal year 1990, Montana issued $39,347,072 in food coupons and distributed $4,296,924 in commodities. One sanction of $73,614 has officially been registered against The Department of Social and Rehabilitation Services for the fiscal year 1984.

Social Security - The Social Security Administration (SSA) assessed the State $39 million for the alleged failure to withhold and forward social security contributions for part-time employees for the years 1984-1986. Montana has objected to the legal basis for the assessment as well as its mathematical calculation. The Public Employees' Retirement Division of the Department of Administration recomputed the potential liability at $2.0 Million. Presently, the state is awaiting the results of an initial review to be conducted by the SSA Associate Commissioner.

Gain Contingencies - Certain natural resource and corporation tax assessments are not reported on the State's financial statements because they are being protested either administratively or in a court of law. As of June 30, 1990, the following assessments (by fund type) were outstanding (in thousands):

Taxes	General	Special Revenue	Debt Service	Nonexpendable Trust
Property	-	2,943	-	-
Corporation	$ 6,862	$ 2,680	$ 1,179	$ -
Coal Severance	289	454	18	1,118
Metal Mines Tax	216	99	-	58
Oil & Gas Severance	1,023	-	-	-
Resource Indemnity	-	-	-	1,568
Totals	$ 8,390	$ 6,176	$ 1,197	$ 2,744

Collectibility of these contingencies is dependent upon the decisions of the court, other authorities, or agreed upon settlements.

18. STATE COMPENSATION INSURANCE

The State Compensation Mutual Insurance Fund (State Fund), a nonprofit, independent public corporation, is administered by a five member board of directors appointed by the Governor. The State Fund provides benefit payments to injured workers of participating employers. Participating employers include private business and local and state governmental entities. As of June 30, 1990, C&B Consulting Group determined actuarial liabilities of the fund exceeded assets by $221,855,000. Therefore, there are no funds presently available as a contingency reserve.

A review of the operations for the fiscal year ending June 30, 1990, shows an underwriting loss from operations of ($7,635,000). Included in this underwriting loss is an adjustment of $39,637,000 for claims incurred prior to July 1, 1989. When this is removed from the above underwriting loss, the result is that 1989-90 fiscal year earned premiums exceed claims incurred plus expenses reported by $32,002,000.

The 1989 Legislature eliminated the statutory requirement that the State Fund be reported in the Expendable Trust Fund type. Therefore, the State Fund is reported in the Enterprise Fund type to enhance conformance with GAAP. The memorandum totals for fiscal year 1989 and the beginning fund equity for each fund type are restated to retroactively report the change in fund type (Refer to Note 2).

During the 1990 Special Session, legislation was enacted to separate the liability incurred by the Workers' Compensation Insurance Program prior to July 1, 1990, from the liability incurred for accidents occurring on or after that date. The unfunded liability incurred prior to July 1, 1990, is to be repaid by a payroll tax assessment of .28% on all Montana employers. The Legislature also mandated that the State Fund set premiums for new business at a level sufficient to ensure solvency of the fund.

19. NONEXPENDABLE TRUST FUNDS' INVESTMENT INCOME

Investments are recorded in Nonexpendable Trust Funds using the full accrual basis of accounting. However, certain investment earnings attributable to these trusts are transferred elsewhere, as summarized below:

Nonexpendable Trust Fund	Reporting of Investment Earnings
Permanent Coal Tax	Permanent Trust and In-State Investment Accounting Entities-Investment Earnings are distributed 100% to the General Fund for fiscal year 1990. Fifteen percent of total investment earnings from July 1, 1983, through June 30, 1986, and two percent of total investment earnings for fiscal years 1988 and 1989 are reported as additional trust corpus as required by previous legislation. According to State statute, the trust corpus may be appropriated with a three-fourths vote of each house of the Legislature.
Education	Investment earnings attributable to this trust are distributed as follows: 67.5% to the Office of Public Instruction for public schools; the remaining 32.5% goes to the Board of Regents for distribution to higher education institutions. At fiscal year-end 1990 the fund balance was transferred to the School Equalization Fund and the Education Nonexpendable Trust Fund was deleted.
Resource Indemnity	Resource Indemnity Investment earnings are distributed to the State Special Revenue Fund as follows: $175,000 to the Environmental Contingency Account; the remainder of the investment earnings are distributed thirty percent to the Water Development State Special Revenue Account, twelve percent to the Hazardous Waste/CERCLA Special Revenue Account, eight percent to the Renewable Resource Development Account, forty-six percent to the Reclamation and Development Grants Account, and four percent to the Environmental Quality Protection Account.
Parks, Cultural and Aesthetic Projects	Investment earnings are distributed to the State Special Revenue Fund as follows: two-thirds to the Department of Fish, Wildlife and Parks for the acquisition and maintenance of parks; and one-third to the Montana Arts Council for cultural and aesthetic projects.
Land Grants	Ninety-four percent of investment earnings are transferred to the State Special Revenue Fund for the Office of Public Instruction to distribute to public schools; five percent is distributed to Higher Education Units (Current and Plant Funds); and one percent to the Department of Institutions (General Fund and State Special Revenue Fund).
Real Property	All investment earnings are transferred to the State Special Revenue Fund for use by the Department of Fish, Wildlife and Parks to operate, maintain and develop its real property.
Thomas Teakle	Investment earnings are transferred to the State Special Revenue Fund for the Montana Historical Society's library acquisitions.
BN Settlement	All investment earnings are transferred to the BN Settlement Expendable Trust Fund.

20. **SUBSEQUENT EVENTS:**

- The Board of Investments issued $7,385,000 in Municipal Finance Consolidation Act Bonds on August 23, 1990, for the Cash Anticipation Financing Program. These bonds do not constitute a debt or liability of the State of Montana.

- The Department of Natural Resources & Conservation issued $9,625,000 in Coal Severance Tax Bonds on September 19, 1990, for the Water Development Program. Proceeds from the sale of these bonds, together with certain funds on hand, will be used to fully redeem the $10,800,000 in outstanding Coal Severance Tax Bonds, Series 1985B.

- Effective August 25, 1989, the Montana Board of Housing passed a resolution committing $730,300 of the Housing Trust Fund to implement the pilot Reverse Annuity Mortgage Program. The program was implemented in October 1990.

- The Montana Board of Housing redeemed at par or 100% of their compounded value to the date of redemption at September 4, 1990, $15,695,000 of Single Family II Bonds using $13,740,000 of the proceeds from the Single Family VI bond issue and mortgage prepayments for such redemption. Unamortized discounts and cost of issuance associated with the bonds redeemed amounted to $299,119.

- On August 15, 1990, The Montana Board of Housing issued $25,000,000 of bonds representing Single Family VII Program Funds.

- On July 1, 1990, The Montana Health Facility Authority issued $5,811,000 in Revenue Bonds and $47,000 in Taxable Revenue Bonds under the Community Provider Pooled Loan Program. These Bonds shall never constitute an indebtedness of the State of Montana or any of its political subdivisions and are not recorded in the state's General Purpose Financial Statements.

Montana

COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS/SCHEDULES

The financial statements that follow provide detailed information on the financial position and results of operations, by fund, for each fund type. Budget basis schedules provide comparisons of the legally established budget with actual data on the budgetary basis for expenditures/expenses and transfers out. These schedules were compiled from the Statewide Budgeting and Accounting System (SBAS).

Scenic beauty abounds in our river regions, and whitewater rapids offer a challenge to those who dare.

Photograph Courtesy of Montana Promotion Division

COMBINING & INDIVIDUAL STATEMENTS/SCHEDULES

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GENERAL FUND

The General Fund is used to account for all governmental financial resources except those required to be accounted for in another fund.

STATE OF MONTANA
Comparative Balance Sheet
General Fund
June 30, 1990
(Expressed in Thousands)

	TOTALS - June 30	
	1990	1989
ASSETS:		
Cash/Cash Equivalents	$ 48,939	$ 61,675
Receivables (Net)	22,593	17,874
Interfund Loans Receivable	36,553	13,700
Due from Other Governments	35	1,024
Due from Other Funds	25,991	21,177
Inventories	3,390	2,340
Long-Term Notes/Loans Receivable	389	389
Other Assets	429	586
TOTAL ASSETS	$ 138,319	$ 118,765
LIABILITIES/FUND BALANCE:		
Liabilities:		
Accounts Payable	$ 23,050	$ 25,37[illegible]
Due to Other Governments	1	
Due to Other Funds	7,057	6,519
Deferred Revenue	12,754	13,764
Property Held in Trust	382	172
Other Liabilities	1	1
Total Liabilities	43,245	45,835
Fund Balance:		
Reserved For:		
Encumbrances	2,257	2,967
Inventories	3,390	2,340
Long-Term Loans	389	389
Unreserved	89,038	67,234
Total Fund Balance	95,074	72,930
TOTAL LIABILITIES/FUND BALANCE	$ 138,319	$ 118,765

STATE OF MONTANA
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	TOTALS YEAR ENDED JUNE 30	
	1990	1989
REVENUES:		
Licenses/Permits	$ 18,071	$ 9,293
Taxes:		
Gas/Oil/Coal Production	26,013	23,928
Individual Income	159,443	154,673
Corporate Income	48,243	33,188
Other	49,381	51,435
Charges for Services/Fines/Forfeits	17,417	20,069
Investment Earnings	26,664	21,553
Sale of Documents/Merchandise/Property	147	115
Rentals/Leases/Royalties	131	161
Federal	12	466
Federal Indirect Cost Recoveries	266	245
Other Revenues	401	2,525
Total Revenues	346,189	317,651
Intrafund Revenues	(64)	(378)
Net Revenues	346,125	317,273
EXPENDITURES:		
Current:		
General Government	38,500	35,408
Public Safety/Corrections	41,486	32,580
Transportation	588	566
Health/Social Services	140,327	138,692
Education/Cultural	57,380	48,871
Resource Development/Recreation	12,844	22,096
Economic Development/Assistance	6,186	6,553
Debt Service:		
Principal Retirement	567	84
Interest/Fiscal Charges	384	17
Capital Outlay	4,059	3,268
Total Expenditures	302,321	288,135
Intrafund Expenditures	(64)	(378)
Net Expenditures	302,257	287,757
Excess of Revenues Over (Under) Expenditures	43,868	29,516
OTHER FINANCING SOURCES (USES):		
Bond Proceeds	-	-
Inception of Lease/Installment Contract	840	390
General Fixed Asset Sale Proceeds	80	125
Operating Transfers In	105,170	95,418
Operating Transfers Out	(128,595)	(99,892)
Total Other Financing Sources (Uses)	(22,505)	(3,959)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	21,363	25,557
FUND BALANCE - July 1 - As Previously Reported	72,930	45,523
Prior Period Adjustments	(465)	12
FUND BALANCE - July 1 - As Restated	72,465	45,535
Increase (Decrease) in Inventories	1,050	507
Residual Equity Transfers	196	1,331
FUND BALANCE - JUNE 30	$ 95,074	$ 72,930

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE AUDITOR				
AUDIT & EXAMINATION PROGRAM	$ 1,084		$ 1,025	$ 59
TOTAL AGENCY	**$ 1,084**		**$ 1,025**	**$ 59**
LEGISLATIVE FISCAL ANALYST				
ANALYSIS AND REVIEW	908		716	192
TOTAL AGENCY	**$ 908**		**$ 716**	**$ 192**
LEGISLATIVE COUNCIL				
LEGISLATIVE COUNCIL FEED BILL	257		157	100
INTERIM STUDIES & CONFERENCES	388		152	236
LEGISLATIVE COUNCIL	1,771		1,662	109
TOTAL AGENCY	**$ 2,416**		**$ 1,971**	**$ 445**
LEGISLATURE-SENATE				
LEGISLATURE - SENATE	444		271	173
TOTAL AGENCY	**$ 444**		**$ 271**	**$ 173**
LEGISLATURE-HOUSE				
LEGIS.- HOUSE OF REPRESENTATIV	788		446	342
TOTAL AGENCY	**$ 788**		**$ 446**	**$ 342**
ENVIRONMENTAL QUALITY COUNCIL				
ENVIRONMENTAL QUALITY PROGRAM	250		222	- 28
TOTAL AGENCY	**$ 250**		**$ 222**	**$ 28**
JUDICIARY				
SUPREME COURT OPERATIONS	1,561		1,548	13
BOARDS AND COMMISSIONS	216		216	0
LAW LIBRARY	697		664	33

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
JUDICIARY				
DISTRICT COURT OPERATIONS	$ 2,351		$ 2,351	0
TOTAL AGENCY	**$ 4,825**		**$ 4,779**	**$ 46**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	999		945	54
MANSION MAINTENANCE PROGRAM	72		64	8
AIR TRANSPORTATION PROGRAM	407		405	2
OFFICE OF BDGET & PGM PLANNING	829		743	86
LT. GOVERNOR	180		154	26
CITIZENS ADVOCATE OFFICE	74		59	15
MENTAL DIS BD VISITORS	133		132	1
STATEHOOD CENTENNIAL OFFICE	50		0	50
TOTAL AGENCY	**$ 2,744**		**$ 2,502**	**$ 242**
SECRETARY OF STATES OFFICE				
RECORDS MANAGEMENT PROGRAM	925		882	43
TOTAL AGENCY	**$ 925**		**$ 882**	**$ 43**
COMMISSIONER OF POLITICAL PRAC				
ADMINISTRATION	108		106	2
TOTAL AGENCY	**$ 108**		**$ 106**	**$ 2**
STATE AUDITORS OFFICE				
CENTRAL MANAGEMENT	232		226	6
STATE PAYROLL	449		441	8
INSURANCE	970		807	163
SECURITIES	324		316	8
FISCAL CONTROL AND MANAGEMENT	657		635	22
TOTAL AGENCY	**$ 2,632**		**$ 2,425**	**$ 207**
OFFICE OF PUBLIC INSTRUCTION				
STATE SUPERINTENDENT'S OFFICE	330		330	0

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
OFFICE OF PUBLIC INSTRUCTION				
CENTRAL SERVICES	$ 1,201		$ 1,032	$ 169
CENTRAL SERVICES		420	360	60
EDUCATIONAL SERVICES	1,236		1,235	1
DISTRIBUTION TO PUBLIC SCHOOLS	42,319		42,099	220
TOTAL AGENCY	**$ 45,086**	**$ 420**	**$ 45,056**	**$ 450**
CRIME CONTROL DIVISION				
JUSTICE SYSTEM SUPPORT SERVICE	445		410	35
TOTAL AGENCY	**$ 445**		**$ 410**	**$ 35**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIV	200		200	0
TOTAL AGENCY	**$ 200**		**$ 200**	**0**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	1,263		1,102	161
MOTOR VEHICLE DIVISION	4,643		4,581	62
LAW ENFORCEMENT SERVICES DIV	1,026		1,007	19
COUNTY ATTORNEY PAYROLL	1,012		1,012	0
LAW ENFORCEMENT ACADEMY DIV	532		495	37
CENTRAL SERVICES DIVISION	184		166	18
DATA PROCESSING DIVISION	680		666	14
EXTRADITION & TRANSP PRISONERS	192		192	0
FORENSIC SCIENCE DIVISION	791		666	125
TOTAL AGENCY	**$ 10,323**		**$ 9,887**	**$ 436**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	1,862		1,683	179
TOTAL AGENCY	**$ 1,862**		**$ 1,683**	**$ 179**
BOARD OF PUBLIC EDUCATION				
ADMINISTRATION	127		125	2

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
BOARD OF PUBLIC EDUCATION				
TOTAL AGENCY	**$ 127**		**$ 125**	**$ 2**
COMMISSIONER OF HIGHER ED				
ADMINISTRATION PROGRAM	845		828	17
STUDENT ASSISTANCE PROGRAM	4,357		4,230	127
COMMUNITY COLLEGE ASSISTANCE	3,208		3,204	4
VO-TECh APPROP. DISTRIB.		6,694	6,694	0
VO-TECH ADMIN.	84		80	4
APPROPRIATION DISTRIBUTION		87,824	87,694	130
BOARD OF REGENTS-ADMIN	33		33	0
B OF R BOND PAYMENTS	731		731	0
TOTAL AGENCY	**$ 9,258**	**$ 94,518**	**$ 103,494**	**$ 282**
SCHOOL FOR THE DEAF & BLIND				
ADMINISTRATION PROGRAM	230		213	17
GENERAL SERVICES PROGRAM	247		243	4
STUDENT SERVICES	757		714	43
EDUCATION	1,200		1,197	3
TOTAL AGENCY	**$ 2,434**		**$ 2,367**	**$ 67**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	134		131	3
TOTAL AGENCY	**$ 134**		**$ 131**	**$ 3**
LIBRARY COMMISSION				
STATE LIBRARY OPERATIONS	1,189		851	338
TOTAL AGENCY	**$ 1,189**		**$ 851**	**$ 338**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	516		488	28
LIBRARY PROGRAM	384		362	22
MUSEUM PROGRAM	214		186	28
MAGAZINE PROGRAM		46	46	0

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
HISTORICAL SOCIETY				
HISTORICAL SITES PRESERVATION	$ 70		$ 70	0
TOTAL AGENCY	**$ 1,184**	**$ 46**	**$ 1,152**	**$ 78**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	224		220	4
TOTAL AGENCY	**$ 224**		**$ 220**	**$ 4**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S OFFICE	213		200	13
CENTRAL SERVICES	667		598	69
ENVIRONMENTAL SCIENCES	1,033		893	140
SOLID/HAZARDOUS WASTE	195		147	48
WATER QUALITY	187		127	60
HEALTH SERVICES/MEDICAL FAC	387		376	11
FAMILY/MCH BUREAU	55		49	6
PREVENTIVE HEALTH BUREAU	989		631	358
LICENSING AND CERTIFICATION	418		335	83
HEALTH PLANNING	194		165	29
TOTAL AGENCY	**$ 4,338**		**$ 3,521**	**$ 817**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	1,390		1,383	7
RECLAMATION PROGRAM	313		271	42
LAND ADMINISTRATION PGM	726		622	104
FORESTRY	6,741		6,559	182
TOTAL AGENCY	**$ 9,170**		**$ 8,835**	**$ 335**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	83		81	2
DIAGNOSTIC LABORATORY PROGRAM	313		285	28
MILK & EGG PROGRAM	194		183	11
RABIES CONTROL	42		1	41
MEAT INSPECTION PROGRAM	222		206	16
TOTAL AGENCY	**$ 854**		**$ 756**	**$ 98**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT NAT RESOURCE/CONSERVATION				
CENTRALIZED SERVICES	$ 1,216		$ 1,091	$ 125
CONSERVATION/RESOURCE DEV DIV	65		52	13
WATER RESOURCES & PLANNING	2,442		2,264	178
RESERVED WATER RIGHTS COMP COM	168		113	55
ENERGY PLANNING	485		414	71
TOTAL AGENCY	**$ 4,376**		**$ 3,934**	**$ 442**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	882		739	143
CENTRALIZED SERVICES DIVISION	810		768	42
DATA PROCESSING DIVISION	889		801	88
INCOME TAX	3,357		3,255	102
CORPORATION TAX	1,192		993	199
CORPORATION TAX		135	131	4
PROPERTY VALUATION	15,899		15,365	534
TOTAL AGENCY	**$ 23,029**	**$ 135**	**$ 22,052**	**$ 1,112**
DEPARTMENT OF ADMINISTRATION				
DIRECTOR'S OFFICE	267		178	89
ACCOUNTING PROGRAM	1,120		981	139
ACCOUNTING PROGRAM		13,140	11,825	1,315
PROCUREMENT & PRINTING DIV.	446		381	65
INFORMATION SERVICES DIVISION	500		200	300
INFORMATION SERVICES DIVISION		625	198	427
GENERAL SERVICES PROGRAM	380		256	124
CENTRALIZED SERVICES DIVISION		20,000	20,000	0
STATE PERSONNEL DIVISION	1,010		913	97
STATE TAX APPEAL BOARD	428		313	115
TOTAL AGENCY	**$ 4,151**	**$ 33,765**	**$ 35,245**	**$ 2,671**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	196		194	2
ENVIRONMENTAL MANAGEMENT DIV	754		698	56
PLANT INDUSTRY DIVISION	453		435	18
AGRICULTURAL DEVELOPMENT	216		197	19
TOTAL AGENCY	**$ 1,619**		**$ 1,524**	**$ 95**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF INSTITUTIONS				
DIRECTOR	$ 400		$ 334	$ 66
MANAGEMENT SERVICES DIVISION	996		797	199
ALCOHOL & DRUG ABUSE DIVISION	215		215	0
CORRECTIONS	4,116		4,016	100
WOMEN'S CORRECTIONAL PROGRAM	1,101		1,033	68
CORRECTION'S MEDICAL BUDGET	846		837	9
MENTAL HLTH/RESIDENTIAL SERV	4,150		4,143	7
TOTAL AGENCY	**$ 11,824**		**$ 11,375**	**$ 449**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	13,012		12,547	465
TOTAL AGENCY	**$ 13,012**		**$ 12,547**	**$ 465**
CENTER FOR THE AGED				
RESIDENTIAL SERVICES	3,048		2,806	242
TOTAL AGENCY	**$ 3,048**		**$ 2,806**	**$ 242**
EASTMONT TRAINING CENTER				
CARE & CUSTODY	2,523		2,374	149
TOTAL AGENCY	**$ 2,523**		**$ 2,374**	**$ 149**
MONTANA STATE PRISON				
CARE & CUSTODY	13,528		13,484	44
LICENSE PLATE FACTORY	2,254		2,011	243
PRISON INDUSTRIES TRAINING	159		156	3
TOTAL AGENCY	**$ 15,941**		**$ 15,651**	**$ 290**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	901		891	10
TOTAL AGENCY	**$ 901**		**$ 891**	**$ 10**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
VETERANS HOME				
CARE & CUSTODY	$ 659		$ 512	$ 147
TOTAL AGENCY	**$ 659**		**$ 512**	**$ 147**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	20,856		19,688	1,168
TOTAL AGENCY	**$ 20,856**		**$ 19,688**	**$ 1,168**
BOARD OF PARDONS				
BOARD SERVICES	196		196	0
TOTAL AGENCY	**$ 196**		**$ 196**	**0**
DEPARTMENT OF COMMERCE				
WEIGHT & MEASURES BUREAU	457		410	47
TRANSPORTATION DIVISION	629		466	163
BUSINESS DEVELOPMENT DIVISION	746		694	52
COMMUNITY DEVELOPMENT BUREAU	203		184	19
OFFICE OF RES. & INFO SERVICES	257		205	52
LOCAL GOV'T SERVICES-AUDIT		51	51	0
LOCAL GOV'T SERVICES-SYSTEMS	2,600		2,598	2
LOCAL GOV'T SERVICES-SYSTEMS		88	88	0
BUILDING CODES BUREAU	36		34	2
INDIAN AFFAIRS COORDINATOR	98		95	3
MT SCIENCE & TECH ALLIANCE	466		401	65
DIRECTOR/MANAGEMENT SERVICES	102		95	7
TOTAL AGENCY	**$ 5,594**	**$ 139**	**$ 5,321**	**$ 412**
LABOR & INDUSTRY				
JOB SERVICE DIVISION	269		251	18
EMPLOYMENT RELATIONS	542		508	34
EMPLOYMENT POLICY DIVISION	33		32	1
HUMAN RIGHTS DIVISION	259		259	0
JOB TRAINING PARTNERSHIP ACT	320		276	44
TOTAL AGENCY	**$ 1,423**		**$ 1,326**	**$ 97**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - GENERAL FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
ADJUTANT GENERAL				
ADMINISTRATION PROGRAM	$ 210		$ 205	$ 5
ARMY NATIONAL GUARD PGM	944		932	12
AIR NATIONAL GUARD PGM	131		128	3
DISASTER COORDINATION RESPONSE	232		220	12
VETERANS AFFAIRS PROGRAM	470		460	10
DISASTER FUND	266		37	229
TOTAL AGENCY	**$ 2,253**		**$ 1,982**	**$ 271**
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	16,858		14,831	2,027
ASSISTANCE PAYMENT PROGRAM		621	121	500
ELIGIBILITY DETERMINATION PGM	2,517		2,245	272
ADMINISTRATIVE & SUPPORT SVS	1,035		963	72
STATE ASSUMED COUNTY ADMIN.	670		638	32
MEDICAL ASSISTANCE	49,975		48,897	1,078
AUDIT AND PRO. COMPLIANCE DIV.	612		599	13
OFFICE BUDGET & PROG. PLANNING	1,034		894	140
VOCATIONAL REHABILITATION PGM	903		847	56
VISUAL SERVICES PRGM	277		261	16
DEVELOPMENTAL DISAB PROGRAM	8,388		8,066	322
TOTAL AGENCY	**$ 82,269**	**$ 621**	**$ 78,362**	**$ 4,528**
DEPARTMENT OF FAMILY SERVICES				
MANAGEMENT SUPPORT	1,601		1,520	81
COMMUNITY SERVICES	15,970		15,669	301
COMMUNITY SERVICES		90	0	90
MOUNTAIN VIEW	1,895		1,788	107
PINE HILLS	3,132		3,033	99
TOTAL AGENCY	**$ 22,598**	**$ 90**	**$ 22,010**	**$ 678**
AGENCY PROGRAM TOTALS	**$ 320,224**	**$ 129,734**	**$ 431,829**	**$ 18,129**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. A brief description of each Special Revenue Fund follows.

State - This fund accounts for money from State and other sources that are earmarked for the purpose of defraying particular costs of an agency, program or function.

Federal - This fund accounts for money from federal sources that is used for the operation of State government.

STATE OF MONTANA
Combining Balance Sheet
Special Revenue Funds
June 30, 1990
(Expressed in Thousands)

	STATE	FEDERAL	TOTALS - JUNE 30 1990	1989
ASSETS:				
Cash/Cash Equivalents	$ 218,081	$ 15,894	$ 233,975	$ 142,802
Cash with Fiscal Agent	296	-	296	323
Receivables (Net)	19,803	2,173	21,976	23,454
Interfund Loans Receivable	23,739	-	23,739	16,794
Due from Other Governments	1,675	77,546	79,221	71,779
Due from Other Funds	28,934	6,293	35,227	40,818
Inventories	17,775	4	17,779	17,898
Equity in Pooled Cash/Investments	29,968	16,507	46,475	60,976
Long-Term Notes/Loans Receivable	7,256	67	7,323	7,807
Investments	1,198	1,797	2,995	39,946
Other Assets	1,849	435	2,284	3,607
TOTAL ASSETS	$ 350,574	$120,716	$ 471,290	$ 426,204
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 31,505	$ 32,889	$ 64,394	$ 59,743
Interfund Loans Payable	32,269	27,815	60,084	29,501
Due to Other Governments	1	2,168	2,169	2,648
Due to Other Funds	20,262	10,234	30,496	31,008
Deferred Revenue	8,991	17,460	26,451	26,012
Property Held in Trust	1,465	46	1,511	2,184
Other Liabilities	1	-	1	5
Total Liabilities	94,494	90,612	185,106	151,101
Fund Balances:				
Reserved For:				
Encumbrances	11,020	8,898	19,918	27,301
Inventories	17,775	4	17,779	17,898
Long-Term Loans	7,256	67	7,323	6,031
Unreserved	220,029	21,135	241,164	223,873
Total Fund Balances	256,080	30,104	286,184	275,103
TOTAL LIABILITIES/FUND BALANCES	$ 350,574	$120,716	$ 471,290	$ 426,204

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

			OTHER SPECIAL REVENUE FUNDS					TOTALS YEAR ENDED JUNE 30	
	STATE	FEDERAL	GSL PROGRAM	REVOLVING	ASSESSMENTS	PRIVATE DONATIONS	INTEREST & INCOME	1990	1989
REVENUES:									
Licenses/Permits	$ 37,158	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,158	$ 54,782
Taxes:									
Gas/Oil/Coal Production	16,760	-	-	-	-	-	-	16,760	20,547
Individual Income	92,787	-	-	-	-	-	-	92,787	84,291
Corporate Income	23,781	-	-	-	-	-	-	23,781	17,247
Other	277,216	-	-	-	-	-	-	277,216	266,403
Charges for Services/Fines/Forfeits	38,271	1,003	-	-	-	-	-	39,274	33,508
Investment Earnings	5,846	1,482	-	-	-	-	-	7,328	9,561
Sale of Documents/Mdse./Property	3,699	-	-	-	-	-	-	3,699	2,805
Rentals/Leases/Royalties	232	-	-	-	-	-	-	232	288
Contributions/Premiums	302	2,897	-	-	-	-	-	3,199	663
Grants/Contracts/Donations	4,230	4,186	-	-	-	-	-	8,416	4,226
Federal	21,978	426,912	-	-	-	-	-	448,890	443,278
Federal Indirect Cost Recoveries	-	1,524	-	-	-	-	-	1,524	1,635
Other Revenues	934	97	-	-	-	-	-	1,031	2,541
Total Revenues	523,194	438,101	-	-	-	-	-	961,295	941,775
Intrafund Revenues	(10,973)	(1,815)	-	-	-	-	-	(12,788)	(11,917)
Net Revenues	512,221	436,286	-	-	-	-	-	948,507	929,858
EXPENDITURES:									
Current:									
General Government	15,643	238	-	-	-	-	-	15,881	16,648
Public Safety/Corrections	30,525	8,793	-	-	-	-	-	39,318	40,036
Transportation	160,656	98,194	-	-	-	-	-	258,850	237,261
Health/Social Services	26,413	238,248	-	-	-	-	-	264,661	253,165
Education/Cultural	265,490	12,995	-	-	-	-	-	278,485	288,380
Resource Development/Recreation	28,892	12,990	-	-	-	-	-	41,882	55,038
Economic Development/Assistance	16,690	53,487	-	-	-	-	-	70,177	69,504
Debt Service:									
Principal Retirement	60	10	-	-	-	-	-	70	457
Interest/Fiscal Charges	153	-	-	-	-	-	-	153	536
Capital Outlay	15,241	8,180	-	-	-	-	-	23,421	18,660
Total Expenditures	559,763	433,135	-	-	-	-	-	992,898	979,685
Intrafund Expenditures	(10,973)	(1,815)	-	-	-	-	-	(12,788)	(11,917)
Net Expenditures	548,790	431,320	-	-	-	-	-	980,110	967,768
Excess of Revenues Over (Under) Expenditures	(36,569)	4,966	-	-	-	-	-	(31,603)	(37,910)
OTHER FINANCING SOURCES (USES):									
Bond Proceeds	10,300	-	-	-	-	-	-	10,300	3,820
Inception of Lease/Installment Contract	25	4	-	-	-	-	-	29	43
General Fixed Asset Sale Proceeds	167	-	-	-	-	-	-	167	81
Operating Transfers In	61,569	399	-	-	-	-	-	61,968	60,845
Operating Transfers Out	(43,330)	(1,498)	-	-	-	-	-	(44,828)	(45,897)
Total Other Financing Sources (Uses)	28,731	(1,095)	-	-	-	-	-	27,636	18,892
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(7,838)	3,871	-	-	-	-	-	(3,967)	(19,018)
FUND BALANCES - JULY 1 - As Previously Reported	245,025	24,627	1,519	1,160	2,577	141	54	275,103	273,604
Prior Period Adjustments	7,400	1,802	(1,519)	(1,160)	(2,577)	(141)	(54)	3,751	13
FUND BALANCES - July 1 - As Restated	252,425	26,429	-	-	-	-	-	278,854	273,617
Increase (Decrease) in Inventories	24	(9)	-	-	-	-	-	15	(103)
Residual Equity Transfers	11,469	(187)	-	-	-	-	-	11,282	20,607
FUND BALANCES - JUNE 30	$ 256,080	$ 30,104	$ -	$ -	$ -	$ -	$ -	$ 286,184	$ 275,103

STATE OF MONTANA
Schedule of Revenues, Expenditures and Other Financing Sources (Uses) -
Budget and Actual with Reconciliation of Expenditures/Other Financing Uses per the
Statewide Budgeting and Accounting System (SBAS) to Budget Basis Statement in the GPFS -
Special Revenue Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	STATE SPECIAL REVENUE FUND			FEDERAL SPECIAL REVENUE FUND		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES/OTHER FINANCING SOURCES:						
Licenses/Permits	$ 42,869	$ 37,158	$ (5,711)	$ -	$ -	$ -
Taxes:						
Gas/Oil/Coal Production	22,722	16,760	(5,962)	-	-	-
Individual Income	81,604	92,787	11,183	-	-	-
Corporate Income	15,963	23,781	7,818	-	-	-
Other Taxes	255,814	277,216	21,402	-	-	-
Charges for Services/Fines/Forfeits	36,411	38,271	1,860	1,351	1,003	(348)
Investment Earnings	6,067	5,846	(221)	953	1,482	529
Sale of Documents/Merchandise/Property	3,760	3,699	(61)	-	-	-
Rentals/Leases/Royalties	212	232	20	-	-	-
Contributions/Premiums	242	302	60	1,986	2,897	911
Grants/Contracts/Donations	6,458	4,230	(2,228)	3,938	4,186	248
Federal	23,126	21,978	(1,148)	494,851	426,912	(67,939)
Federal Indirect Cost Recoveries	3	-	(3)	2,880	1,524	(1,356)
Other Revenues	1,308	934	(374)	100	97	(3)
Bond Proceeds	6,500	10,300	3,800	-	-	-
General Fixed Asset Sale Proceeds	19	167	148	-	-	-
Operating Transfers In	107,774	95,488	(12,286)	8,395	3,805	(4,590)
Total Revenues/Other Financing Sources	610,852	629,149	18,297	514,454	441,906	(72,548)
EXPENDITURES/OTHER FINANCING USES:						
Appropriated Expenditures	634,956	551,852	83,104	487,369	442,885	44,484
Appropriated Transfers Out	79,403	77,249	2,154	5,578	4,873	705
Total Expenditures/Other Financing Uses (SBAS)	714,359	629,101	85,258	492,947	447,758	45,189
Net Adjustments for Rounding	-	4	4	-	-	-
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses - Budget Basis	(103,507)	52	103,559	21,507	(5,852)	(27,359)
RECONCILIATION OF BUDGETARY/GAAP REPORTING:						
1. Adjust expenditures for encumbrances.	-	(8,669)	(8,669)	-	(2,126)	(2,126)
2. Adjustments for appropriated loans & other nonbudgeted activity.	-	779	779	-	11,849	11,849
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses - GAAP Basis	(103,507)	(7,838)	95,669	21,507	3,871	(17,636)
Unreserved Fund Balances - July 1	206,058	206,058	-	12,665	12,665	-
Residual Equity Transfers	11,469	11,469	-	(187)	(187)	-
Prior Period Adjustments	-	7,400	7,400	-	1,802	1,802
Decrease (Increase):						
Encumbrances Reserve	-	5,258	5,258	-	1,958	1,958
Long-Term Loans Reserve	-	(2,318)	(2,318)	-	1,026	1,026
Unreserved Fund Balances - June 30	$ 114,020	$ 220,029	$ 106,009	$ 33,985	$ 21,135	$ (12,850)

OTHER SPECIAL REVENUE FUNDS			TOTALS YEAR ENDED JUNE 30		
BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
$ -	$ -	$ -	$ 42,869	$ 37,158	$ (5,711)
-	-	-	22,722	16,760	(5,962)
-	-	-	81,604	92,787	11,183
-	-	-	15,963	23,781	7,818
-	-	-	255,814	277,216	21,402
-	-	-	37,762	39,274	1,512
-	-	-	7,020	7,328	308
-	-	-	3,760	3,699	(61)
-	-	-	212	232	20
-	-	-	2,228	3,199	971
-	-	-	10,396	8,416	(1,980)
-	-	-	517,977	448,890	(69,087)
-	-	-	2,883	1,524	(1,359)
-	-	-	1,408	1,031	(377)
-	-	-	6,500	10,300	3,800
-	-	-	19	167	148
-	-	-	116,169	99,293	(16,876)
-	-	-	1,125,306	1,071,055	(54,251)
-	-	-	1,122,325	994,737	127,588
-	-	-	84,981	82,122	2,859
-	-	-	1,207,306	1,076,859	130,447
-	-	-	-	4	4
-	-	-	(82,000)	(5,800)	76,200
-	-	-	-	(10,795)	(10,795)
-	-	-	-	12,628	12,628
-	-	-	(82,000)	(3,967)	78,033
5,150	5,150	-	223,873	223,873	-
-	-	-	11,282	11,282	-
-	(5,150)	(5,150)	-	4,052	4,052
-	-	-	-	7,216	7,216
-	-	-	-	(1,292)	(1,292)
$ 5,150	$ -	$ (5,150)	$ 153,155	$ 241,164	$ 88,009

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LEGISLATIVE AUDITOR				
AUDIT & EXAMINATION PROGRAM	$ 1,051		$ 1,035	$ 16
TOTAL AGENCY	**$ 1,051**		**$ 1,035**	**$ 16**
LEGISLATIVE COUNCIL				
INTERIM STUDIES & CONFERENCES	52		9	43
REIMBURSABLE ACTIVITIES PROG	687		403	284
TOTAL AGENCY	**$ 739**		**$ 412**	**$ 327**
ENVIRONMENTAL QUALITY COUNCIL				
WATER POLICY COMMITTEE	26		7	19
TOTAL AGENCY	**$ 26**		**$ 7**	**$ 19**
CONSUMER COUNSEL				
ADMINISTRATION PROGRAM	869		620	249
TOTAL AGENCY	**$ 869**		**$ 620**	**$ 249**
JUDICIARY				
WATER COURTS SUPERVISION	434		429	5
TOTAL AGENCY	**$ 434**		**$ 429**	**$ 5**
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	926		172	754
STATEHOOD CENTENNIAL OFFICE	563		387	176
TOTAL AGENCY	**$ 1,489**		**$ 559**	**$ 930**
SECRETARY OF STATES OFFICE				
ADMINISTRATIVE CODE PROGRAM	170		142	28
TOTAL AGENCY	**$ 170**		**$ 142**	**$ 28**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
STATE AUDITORS OFFICE				
STATE PAYROLL	$ 407		$ 386	$ 21
LOCAL ASSISTANCE DISTRIBUTIONS	6,100		6,076	24
PENSION ADJ RETIRED FIREMEN	1,000		942	58
TOTAL AGENCY	**$ 7,507**		**$ 7,404**	**$ 103**
OFFICE OF PUBLIC INSTRUCTION				
STATE SUPERINTENDENT'S OFFICE	1		1	0
CENTRAL SERVICES	5		5	0
EDUCATIONAL SERVICES	480		368	112
DISTRIBUTION TO PUBLIC SCHOOLS	276,700		263,171	13,529
TOTAL AGENCY	**$ 277,186**		**$ 263,545**	**$ 13,641**
CRIME CONTROL DIVISION				
JUSTICE SYSTEM SUPPORT SERVICE	316		282	34
TOTAL AGENCY	**$ 316**		**$ 282**	**$ 34**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIV	74		61	13
TOTAL AGENCY	**$ 74**		**$ 61**	**$ 13**
DEPARTMENT OF JUSTICE				
GAMBLING CONTROL DIVISION	13,603		13,304	299
MOTOR VEHICLE DIVISION	73		73	0
HIGHWAY PATROL DIVISION	10,798		10,630	168
LAW ENFORCEMENT SERVICES DIV	358		343	15
CENTRAL SERVICES DIVISION	805		800	5
DATA PROCESSING DIVISION	273		267	6
FORENSIC SCIENCE DIVISION	193		193	0
TOTAL AGENCY	**$ 26,103**		**$ 25,610**	**$ 493**
BOARD OF PUBLIC EDUCATION				
ADVISORY COUNCIL	69		65	4

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STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
BOARD OF PUBLIC EDUCATION				
TOTAL AGENCY	**$ 69**		**$ 65**	**$ 4**
COMMISSIONER OF HIGHER ED				
STUDENT ASSISTANCE PROGRAM	238		238	0
TALENT SEARCH	103		29	74
VO-TECH APPROP. DISTRIB.		1,468	1,468	0
APPROPRIATION DISTRIBUTION		13,300	13,269	31
BOARD OF REGENTS-ADMIN	150		102	48
TOTAL AGENCY	**$ 491**	**$ 14,768**	**$ 15,106**	**$ 153**
SCHOOL FOR THE DEAF & BLIND				
EDUCATION	160		160	0
TOTAL AGENCY	**$ 160**		**$ 160**	**0**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	1,307		541	766
TOTAL AGENCY	**$ 1,307**		**$ 541**	**$ 766**
LIBRARY COMMISSION				
STATE LIBRARY OPERATIONS	267		263	4
NATURAL RESOURCE INFO SERVICES	791		465	326
TOTAL AGENCY	**$ 1,058**		**$ 728**	**$ 330**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	155		90	65
LIBRARY PROGRAM	189		125	64
MUSEUM PROGRAM	42		21	21
TOTAL AGENCY	**$ 386**		**$ 236**	**$ 150**

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STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT OF FISH, WILDLIFE & PARKS				
MANAGEMENT SERVICES DIVISION	$ 1,523		$ 1,387	$ 136
MANAGEMENT SERVICES DIVISION		164	164	0
FIELD SERVICES DIVISION	2,500		2,375	125
FISHERIES DIVISION	2,680		2,451	229
LAW ENFORCEMENT DIVISION	4,282		4,052	230
WILDLIFE DIVISION	4,725		2,704	2,021
RECREATION & PARKS DIVISION	3,476		2,902	574
CAPITAL OUTLAY	7,810		3,605	4,205
CAPITAL OUTLAY		1,288	1,287	1
CONSERVATION EDUCATION DIV	1,263		1,197	66
ADMINISTRATION	1,694		1,531	163
TOTAL AGENCY	**$ 29,953**	**$ 1,452**	**$ 23,655**	**$ 7,750**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S OFFICE	401		303	98
CENTRAL SERVICES	1,073		932	141
ENVIRONMENTAL SCIENCES	1,985		1,371	614
SOLID/HAZARDOUS WASTE	2,302		1,453	849
WATER QUALITY	505		463	42
HEALTH SERVICES/MEDICAL FAC	45		39	6
PREVENTIVE HEALTH BUREAU	68		44	24
PETRO TANK RELEASE COMP BOARD	4,400		877	3,523
TOTAL AGENCY	**$ 10,779**		**$ 5,482**	**$ 5,297**
DEPARTMENT OF HIGHWAYS				
GENERAL OPERATIONS PROGRAM	20,439		20,151	288
CONSTRUCTION PROGRAM	83,847		70,240	13,607
MAINTENANCE PROGRAM	45,439		44,481	958
PRECONSTRUCTION PROGRAM	8,200		5,130	3,070
INTERFUND TRANSFERS PROGRAM		44,028	43,451	577
STORES INVENTORY	13,274		13,209	65
G.V.W.	3,680		3,370	310
TOTAL AGENCY	**$ 174,879**	**$ 44,028**	**$ 200,032**	**$ 18,875**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	172		140	32
RECLAMATION PROGRAM	1,937		1,038	899
RESOURCE DEVELOPMENT PGM	291		234	57

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STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF STATE LANDS				
FORESTRY	$ 3,010		$ 2,499	$ 511
TOTAL AGENCY	**$ 5,410**		**$ 3,911**	**$ 1,499**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	355		355	0
DIAGNOSTIC LABORATORY PROGRAM	453		453	0
DISEASE CONTROL PROGRAM	503		441	62
INSPECTION & CONTROL PROGRAM	1,991		1,977	14
PREDATORY ANIMAL CONTROL PGM	270		239	31
RABIES CONTROL	15		15	0
TOTAL AGENCY	**$ 3,587**		**$ 3,480**	**$ 107**
DEPT NAT RESOURCE/CONSERVATION				
CENTRALIZED SERVICES	398		398	0
OIL & GAS REGULATION	1,438		819	619
CONSERVATION/RESOURCE DEV DIV	6,594		1,955	4,639
CONSERVATION/RESOURCE DEV DIV		557	557	0
WATER RESOURCES & PLANNING	5,307		2,398	2,909
WATER RESOURCES & PLANNING		2,471	2,439	32
RESERVED WATER RIGHTS COMP COM	227		180	47
ENERGY PLANNING	4,877		934	3,943
TOTAL AGENCY	**$ 18,841**	**$ 3,028**	**$ 9,680**	**$ 12,189**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	106		90	16
CENTRALIZED SERVICES DIVISION	2,415		2,324	91
INCOME TAX	169		153	16
CORPORATION TAX	7,197		6,567	630
MOTOR FUEL TAX	679		610	69
TOTAL AGENCY	**$ 10,566**		**$ 9,744**	**$ 822**
DEPARTMENT OF ADMINISTRATION				
ACCOUNTING PROGRAM		483	397	86
ARCH & ENGINEERING PGM	581		528	53
INFORMATION SERVICES DIVISION	1,408		1,232	176

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STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF ADMINISTRATION				
INFORMATION SERVICES DIVISION		$ 88	$ 75	$ 13
TORT CLAIMS DIVISION	500		61	439
WORKERS COMPENSATION JUDGE	0		0	0
TOTAL AGENCY	**$ 2,489**	**$ 571**	**$ 2,293**	**$ 767**
STATE COMP. MUTUAL INS. FUND				
ST. COMPENSATION MUTUAL INS. F	37		32	5
ST. COMPENSATION MUTUAL INS. F		7,495	6,472	1,023
TOTAL AGENCY	**$ 37**	**$ 7,495**	**$ 6,504**	**$ 1,028**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	6,274		1,708	4,566
TOTAL AGENCY	**$ 6,274**		**$ 1,708**	**$ 4,566**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	173		169	4
ENVIRONMENTAL MANAGEMENT DIV	1,631		1,288	343
PLANT INDUSTRY DIVISION	672		579	93
AGRICULTURAL DEVELOPMENT	1,803		1,382	421
AGRICULTURAL DEVELOPMENT		23	0	23
TOTAL AGENCY	**$ 4,279**	**$ 23**	**$ 3,418**	**$ 884**
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	4		4	0
ALCOHOL & DRUG ABUSE DIVISION	1,466		1,443	23
CORRECTIONS	1		1	0
TOTAL AGENCY	**$ 1,471**		**$ 1,448**	**$ 23**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	77		49	28
TOTAL AGENCY	**$ 77**		**$ 49**	**$ 28**

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STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
CENTER FOR THE AGED				
RESIDENTIAL SERVICES	$ 17		$ 14	$ 3
TOTAL AGENCY	**$ 17**		**$ 14**	**$ 3**
EASTMONT TRAINING CENTER				
CARE & CUSTODY	1		1	0
TOTAL AGENCY	**$ 1**		**$ 1**	**0**
MONTANA STATE PRISON				
CARE & CUSTODY	54		51	3
PRISON CANTEEN	932		575	357
TOTAL AGENCY	**$ 986**		**$ 626**	**$ 360**
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	86		77	9
TOTAL AGENCY	**$ 86**		**$ 77**	**$ 9**
VETERANS HOME				
CARE & CUSTODY	1,108		1,105	3
TOTAL AGENCY	**$ 1,108**		**$ 1,105**	**$ 3**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	1,802		1,798	4
TOTAL AGENCY	**$ 1,802**		**$ 1,798**	**$ 4**
DEPARTMENT OF COMMERCE				
PUBLIC SAFETY DIVISION	13		0	13
FINANCIAL DIVISION	822		744	78
MILK CONTROL BUREAU	291		287	4
POL BUREAU	2,040		1,696	344

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STATE OF MONTANA
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BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF COMMERCE				
AERONAUTICS DIVISION	$ 889		$ 791	$ 98
AERONAUTICS DIVISION		12	11	1
TRANSPORTATION DIVISION	1,146		616	530
BUSINESS DEVELOPMENT DIVISION	374		340	34
MONTANA PROMOTION DIVISION	5,673		5,161	512
COMMUNITY DEVELOPMENT BUREAU	7,677		1,501	6,176
COMMUNITY DEVELOPMENT BUREAU		1,400	1,033	367
LOCAL GOV'T SERVICES-SYSTEMS	203		203	0
BUILDING CODES BUREAU	1,233		1,129	104
INDIAN AFFAIRS COORDINATOR	4		4	0
MT SCIENCE & TECH ALLIANCE	2,200		0	2,200
BOARD OF HORSE RACING	320		228	92
TOTAL AGENCY	**$ 22,885**	**$ 1,412**	**$ 13,744**	**$ 10,553**
LABOR & INDUSTRY				
JOB SERVICE DIVISION	87		87	0
COMMISSIONER/CENTRALIZED SERV	98		92	6
EMPLOYMENT RELATIONS	2,031		1,958	73
LEGAL SERVICES DIVISION	222		219	3
EMPLOYMENT POLICY DIVISION	62		61	1
WORKERS COMPENSATION JUDGE	323		315	8
TOTAL AGENCY	**$ 2,823**		**$ 2,732**	**$ 91**
LABOR & IND-WORKERS' COMP				
ADMINISTRATION PROGRAM	757		743	14
ADMINISTRATION PROGRAM		6,624	6,624	0
STATE INSURANCE FUND	2,282		2,282	0
INSURANCE COMPLIANCE PROGRAM	90		90	0
SAFETY AND HEALTH PROGRAM	106		106	0
TOTAL AGENCY	**$ 3,235**	**$ 6,624**	**$ 9,845**	**$ 14**
ADJUTANT GENERAL				
DISASTER COORDINATION RESPONSE	12		0	12
TOTAL AGENCY	**$ 12**		**0**	**$ 12**

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STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - STATE SPECIAL REVENUE FUND
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(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	$ 718		$ 702	$ 16
ELIGIBILITY DETERMINATION PGM	2,385		2,187	198
ADMINISTRATIVE & SUPPORT SVS	649		323	326
COMMUNITY SERVICES	1,047		891	156
MEDICAL ASSISTANCE	6,907		6,907	0
AUDIT AND PRO. COMPLIANCE DIV.	1		0	1
OFFICE BUDGET & PROG. PLANNING	16		12	4
VOCATIONAL REHABILITATION PGM	765		727	38
TOTAL AGENCY	**$ 12,488**		**$ 11,749**	**$ 739**
DEPARTMENT OF FAMILY SERVICES				
MANAGEMENT SUPPORT	45		6	39
COMMUNITY SERVICES	2,178		1,958	220
MOUNTAIN VIEW	3		2	1
PINE HILLS	318		314	4
TOTAL AGENCY	**$ 2,544**		**$ 2,280**	**$ 264**
AGENCY PROGRAM TOTALS	**$ 636,064**	**$ 79,401**	**$ 632,317**	**$ 83,148**

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
GOVERNORS OFFICE				
EXECUTIVE OFFICE PROGRAM	$ 20		0	$ 20
NORTHWEST REGIONAL POWER ACT	390		349	41
MENTAL DIS BD VISITORS	46		42	4
TOTAL AGENCY	**$ 456**		**$ 391**	**$ 65**
STATE AUDITORS OFFICE				
FOREST RES & FPGA TO COUNTIES	7,716		7,716	0
TOTAL AGENCY	**$ 7,716**		**$ 7,716**	**0**
OFFICE OF PUBLIC INSTRUCTION				
CENTRAL SERVICES	128		108	20
EDUCATIONAL SERVICES	3,230		2,953	277
DISTRIBUTION TO PUBLIC SCHOOLS	4,496		4,410	86
TOTAL AGENCY	**$ 7,854**		**$ 7,471**	**$ 383**
CRIME CONTROL DIVISION				
JUSTICE SYSTEM SUPPORT SERVICE	3,570		2,411	1,159
TOTAL AGENCY	**$ 3,570**		**$ 2,411**	**$ 1,159**
HIGHWAY TRAFFIC SAFETY				
HIGHWAY TRAFFIC SAFETY DIV	1,211		1,171	40
TOTAL AGENCY	**$ 1,211**		**$ 1,171**	**$ 40**
DEPARTMENT OF JUSTICE				
LEGAL SERVICES DIVISION	46		37	9
MOTOR VEHICLE DIVISION	206		125	81
HIGHWAY PATROL DIVISION	532		485	47
LAW ENFORCEMENT SERVICES DIV	394		330	64
LAW ENFORCEMENT ACADEMY DIV	90		89	1
CENTRAL SERVICES DIVISION	27		5	22
FORENSIC SCIENCE DIVISION	60		58	2

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BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF JUSTICE				
TOTAL AGENCY	**$ 1,355**		**$ 1,129**	**$ 226**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	26		22	4
TOTAL AGENCY	**$ 26**		**$ 22**	**$ 4**
COMMISSIONER OF HIGHER ED				
STUDENT ASSISTANCE PROGRAM	303		255	48
ED. FOR ECON. SECURITY GRANT	183		172	11
TALENT SEARCH	238		234	4
VO-TECH APPROP. DISTRIB.	807		801	6
VO-TECH ADMIN.	2,035		1,110	925
VO-TECH ADMIN.		2,704	2,598	106
GUARANTEED STUDENT LOAN PGM	1,722		1,398	324
TOTAL AGENCY	**$ 5,288**	**$ 2,704**	**$ 6,568**	**$ 1,424**
SCHOOL FOR THE DEAF & BLIND				
STUDENT SERVICES	38		35	3
EDUCATION	169		150	19
TOTAL AGENCY	**$ 207**		**$ 185**	**$ 22**
MONTANA ARTS COUNCIL				
PROMOTION OF THE ARTS	403		358	45
TOTAL AGENCY	**$ 403**		**$ 358**	**$ 45**
LIBRARY COMMISSION				
STATE LIBRARY OPERATIONS	1,027		807	220
NATURAL RESOURCE INFO SERVICES	111		92	19
TOTAL AGENCY	**$ 1,138**		**$ 899**	**$ 239**

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STATE OF MONTANA
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BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
MONTANA COUNCIL ON VOCATIONAL				
ADMINISTRATION PROGRAM	$ 140		$ 128	$ 12
TOTAL AGENCY	**$ 140**		**$ 128**	**$ 12**
HISTORICAL SOCIETY				
ADMINISTRATION PROGRAM	77		67	10
MUSEUM PROGRAM	38		38	0
HISTORICAL SITES PRESERVATION	509		330	179
TOTAL AGENCY	**$ 624**		**$ 435**	**$ 189**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	27		17	10
TOTAL AGENCY	**$ 27**		**$ 17**	**$ 10**
DEPT OF FISH, WILDLIFE & PARKS				
MANAGEMENT SERVICES DIVISION	437		311	126
FIELD SERVICES DIVISION	246		222	24
FISHERIES DIVISION	3,418		3,005	413
LAW ENFORCEMENT DIVISION	195		189	6
WILDLIFE DIVISION	3,342		2,776	566
RECREATION & PARKS DIVISION	723		289	434
CAPITAL OUTLAY	826		209	617
CAPITAL OUTLAY		1,220	1,219	1
CONSERVATION EDUCATION DIV	297		161	136
ADMINISTRATION	691		420	271
TOTAL AGENCY	**$ 10,175**	**$ 1,220**	**$ 8,801**	**$ 2,594**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S OFFICE	15		12	3
CENTRAL SERVICES	187		175	12
ENVIRONMENTAL SCIENCES	957		747	210
SOLID/HAZARDOUS WASTE	7,398		2,346	5,052
WATER QUALITY	3,234		1,869	1,365
HEALTH SERVICES/MEDICAL FAC	310		217	93
FAMILY/MCH BUREAU	15,212		14,575	637
PREVENTIVE HEALTH BUREAU	1,720		1,493	227

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BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPT HEALTH & ENVIRON SCIENCES				
LICENSING AND CERTIFICATION	$ 1,187		$ 702	$ 485
TOTAL AGENCY	**$ 30,220**		**$ 22,136**	**$ 8,084**
DEPARTMENT OF HIGHWAYS				
GENERAL OPERATIONS PROGRAM	1,938		1,572	366
CONSTRUCTION PROGRAM	87,495		87,088	407
PRECONSTRUCTION PROGRAM	8,613		8,439	174
TOTAL AGENCY	**$ 98,046**		**$ 97,099**	**$ 947**
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	144		144	0
RECLAMATION PROGRAM	8,750		8,585	165
FORESTRY	604		528	76
TOTAL AGENCY	**$ 9,498**		**$ 9,257**	**$ 241**
DEPARTMENT OF LIVESTOCK				
CENTRALIZED SERVICES PROGRAM	17		17	0
MILK & EGG PROGRAM	30		30	0
MEAT INSPECTION PROGRAM	222		206	16
TOTAL AGENCY	**$ 269**		**$ 253**	**$ 16**
DEPT NAT RESOURCE/CONSERVATION				
CENTRALIZED SERVICES	28		28	0
CONSERVATION/RESOURCE DEV DIV	43		18	25
WATER RESOURCES & PLANNING	93		81	12
ENERGY PLANNING	2,098		1,081	1,017
ENERGY PLANNING		116	0	116
TOTAL AGENCY	**$ 2,262**	**$ 116**	**$ 1,208**	**$ 1,170**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	171		108	63
CENTRALIZED SERVICES DIVISION	7		0	7

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BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF REVENUE				
CORPORATION TAX	$ 147		$ 125	$ 22
TOTAL AGENCY	**$ 325**		**$ 233**	**$ 92**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	9,683		1,933	7,750
TOTAL AGENCY	**$ 9,683**		**$ 1,933**	**$ 7,750**
DEPARTMENT OF AGRICULTURE				
CENTRALIZED SERVICES DIVISION	19		18	1
ENVIRONMENTAL MANAGEMENT DIV	435		310	125
PLANT INDUSTRY DIVISION	9		4	5
AGRICULTURAL DEVELOPMENT	122		55	67
TOTAL AGENCY	**$ 585**		**$ 387**	**$ 198**
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	8		8	0
ALCOHOL & DRUG ABUSE DIVISION	2,414		1,865	549
CORRECTIONS	99		74	25
WOMEN'S CORRECTIONAL PROGRAM	5		0	5
MENTAL HLTH/RESIDENTIAL SERV	1,942		1,740	202
TOTAL AGENCY	**$ 4,468**		**$ 3,687**	**$ 781**
MONTANA DEVELOPMENTAL CENTER				
SERVICE & SUPPORT	30		22	8
TOTAL AGENCY	**$ 30**		**$ 22**	**$ 8**
MONTANA STATE PRISON				
CARE & CUSTODY	161		159	2
PRISON INDUSTRIES TRAINING	28		2	26
TOTAL AGENCY	**$ 189**		**$ 161**	**$ 28**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
SWAN RIVER YOUTH FOREST CAMP				
CARE & CUSTODY	$ 38		$ 30	$ 8
TOTAL AGENCY	**$ 38**		**$ 30**	**$ 8**
VETERANS HOME				
CARE & CUSTODY	770		770	0
TOTAL AGENCY	**$ 770**		**$ 770**	**0**
MONTANA STATE HOSPITAL				
TREATMENT SERVICES	2		1	1
TOTAL AGENCY	**$ 2**		**$ 1**	**$ 1**
DEPARTMENT OF COMMERCE				
AERONAUTICS DIVISION	76		0	76
TRANSPORTATION DIVISION	2,154		1,342	812
BUSINESS DEVELOPMENT DIVISION	1,740		1,593	147
HOUSING ASSISTANCE BUREAU	12,395		10,691	1,704
COMMUNITY DEVELOPMENT BUREAU	4,061		3,951	110
INDIAN AFFAIRS COORDINATOR	65		34	31
TOTAL AGENCY	**$ 20,491**		**$ 17,611**	**$ 2,880**
LABOR & INDUSTRY				
JOB SERVICE DIVISION	12,055		11,628	427
UNEMPLOYMENT INSURANCE	3,314		3,127	187
COMMISSIONER/CENTRALIZED SERV	887		825	62
EMPLOYMENT RELATIONS	753		741	12
LEGAL SERVICES DIVISION	405		405	0
EMPLOYMENT POLICY DIVISION	2,753		2,375	378
HUMAN RIGHTS DIVISION	164		155	9
JOB TRAINING PARTNERSHIP ACT	11,346		10,433	913
TOTAL AGENCY	**$ 31,677**		**$ 29,689**	**$ 1,988**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - FEDERAL SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
ADJUTANT GENERAL				
ARMY NATIONAL GUARD PGM	$ 1,150		$ 1,045	$ 105
AIR NATIONAL GUARD PGM	1,377		1,333	44
DISASTER COORDINATION RESPONSE	297		231	66
EMERGENCY MGMT DEVELOPMENT	283		257	26
LOCAL REIMBURSEMENT-DES	1,925		763	1,162
VETERANS AFFAIRS PROGRAM	47		6	41
TOTAL AGENCY	**$ 5,079**		**$ 3,635**	**$ 1,444**
DEPT SOCIAL & REHAB SERVICES				
ASSISTANCE PAYMENT PROGRAM	47,699		42,238	5,461
ASSISTANCE PAYMENT PROGRAM		1,538	1,056	482
ELIGIBILITY DETERMINATION PGM	4,585		4,435	150
ADMINISTRATIVE & SUPPORT SVS	1,768		1,628	140
COMMUNITY SERVICES	2,064		1,715	349
STATE ASSUMED COUNTY ADMIN.	462		442	20
MEDICAL ASSISTANCE	135,920		131,686	4,234
AUDIT AND PRO. COMPLIANCE DIV.	740		650	90
OFFICE BUDGET & PROG. PLANNING	4,222		3,683	539
VOCATIONAL REHABILITATION PGM	6,628		6,414	214
DISABILITY DETERMINATION PGM	2,715		2,416	299
VISUAL SERVICES PRGM	1,030		964	66
DEVELOPMENTAL DISAB PROGRAM	14,586		14,411	175
DEVELOPE DISAB ADVIS COUNCIL	303		286	17
TOTAL AGENCY	**$ 222,722**	**$ 1,538**	**$ 212,024**	**$ 12,236**
DEPARTMENT OF FAMILY SERVICES				
MANAGEMENT SUPPORT	583		503	80
COMMUNITY SERVICES	9,804		9,302	502
MOUNTAIN VIEW	122		110	12
PINE HILLS	317		278	39
TOTAL AGENCY	**$ 10,826**		**$ 10,193**	**$ 633**
AGENCY PROGRAM TOTALS	**$ 487,370**	**$ 5,578**	**$ 448,031**	**$ 44,917**

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest. A brief description of each Debt Service Fund follows.

Coal Tax Bonds - Moneys in this fund are pledged for the payment of principal and interest on all State of Montana coal severance tax bonds.

Long-Range Building Program - This fund accounts for the payment of all long-range building program bonds and interest.

Water Development - This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the Legislature.

Highway Revenue Bonds - This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

Highways Building Complex - This fund accounts for gasoline taxes pledged for the payment of principal and interest on bonds issued for the purpose of acquiring a site and erecting and equipping the headquarter's building complex for the Montana Department of Highways.

Airport Bonds - This fund accounts for the 1983 "B" bonds that are used to retire the balance of unloaned airport bonds.

Department of Social and Rehabilitation Services (SRS) Building - The building occupied by SRS is owned by the Teachers' Retirement System and is leased to the State through a lease-purchase agreement. This fund accounts for the lease payments to the retirement system.

Renewable Resource - This fund accounts for coal severance taxes pledged to retire bonds that were never issued. Transfer of these funds to the State Special Revenue Fund was authorized to finance renewable resource projects.

Water Conservation Bonds - This fund accounts for Water Conservation Bonds issued for four projects: Sidney, Little Dry, South Side Canal and Petrolia.

STATE OF MONTANA
Combining Balance Sheet
Debt Service Funds
June 30, 1990
(Expressed in Thousands)

	COAL TAX BONDS	LONG-RANGE BUILDING PROGRAM	WATER DEVELOPMENT	HIGHWAY REVENUE BONDS	HIGHWAYS BUILDING COMPLEX	AIRPORT BONDS	SRS BLDG	RENEWABLE RESOURCE	WATER CONSERVATION BONDS	TOTALS - JUNE 30 1990	TOTALS - JUNE 30 1989
ASSETS:											
Cash/Cash Equivalents	$ 205	$ 11,851	$ 664	$ 5,020	$ 5	$ -	$ 95	$ 136	$ -	$ 17,976	$ 11,761
Receivables (Net)	299	1,424	170	-	-	-	-	-	-	1,893	2,332
Due from Other Funds	6	22	9	-	-	-	-	-	-	37	217
Equity in Pooled Cash/Investments	14,344	-	102	136	703	295	-	-	367	27,617	25,193
Long-Term Notes/Loans Receivable	12,066	-	15,184	-	-	-	-	-	-	15,580	20,111
Investments	-	-	-	4,915	-	-	-	-	-	4,915	5,292
TOTAL ASSETS	$ 26,920	$ 13,297	$ 16,129	$ 10,071	$ 708	$ 295	$ 95	$ 136	$ 367	$ 68,018	$ 64,906
LIABILITIES/FUND BALANCES:											
Liabilities:											
Accounts Payable	$ -	$ 1,259	$ -	$ -	$ -	$ -	$ 2	$ -	$ -	$ 1,261	$ 952
Due to Other Funds	20	876	-	30	-	-	-	-	-	926	751
Deferred Revenue	-	842	-	-	-	-	-	-	-	842	1,236
Total Liabilities	20	2,977	-	30	-	-	2	-	-	3,029	2,939
Fund Balances:											
Reserved for Encumbrances	-	-	-	-	-	-	22	-	-	22	-
Reserved for Long-Term Loans	12,066	-	15,185	-	-	-	-	-	367	27,618	25,193
Reserved for Debt Service	14,834	10,320	944	10,041	708	295	71	136	-	37,349	36,774
Total Fund Balances	26,900	10,320	16,129	10,041	708	295	93	136	367	64,989	61,967
TOTAL LIABILITIES/FUND BALANCES	$ 26,920	$ 13,297	$ 16,129	$ 10,071	$ 708	$ 295	$ 95	$ 136	$ 367	$ 68,018	$ 64,906

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
ebt Service Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	COAL TAX BONDS	LONG-RANGE BUILDING PROGRAM	WATER DEVELOPMENT	HIGHWAY REVENUE BONDS	HIGHWAYS BUILDING COMPLEX	AIRPORT BONDS	SRS BLDG	RENEWABLE RESOURCE	WATER CONSERVATION BONDS	TOTALS YEAR ENDED JUNE 30 1990	1989
REVENUES:											
Taxes:											
Gas/Oil/Coal Production	$ 33,936	$ -	$ 321	$ -	$ -	$ -	$ -	$ 322	$ -	$ 34,579	$ 29,840
Individual Income	-	27,412	-	-	-	-	-	-	-	27,412	26,576
Corporate Income	-	8,292	-	-	-	-	-	-	-	8,292	5,704
Cigarette/Tobacco	-	9,432	-	-	-	-	-	-	-	9,432	9,666
Charges for Services/Fines/Forfeits	13	-	1	-	-	-	163	-	-	177	813
Investment Earnings	1,308	-	1,196	-	83	25	-	-	14	2,626	2,319
Sale of Documents/Mdse./Property	1,702	-	-	-	-	-	-	-	-	1,702	-
Federal	-	149	-	-	-	-	-	-	-	149	152
Other Revenues	-	612	-	-	-	-	-	-	-	612	2
Total Revenues	36,959	45,897	1,518	-	83	25	163	322	14	84,981	75,072
Intrafund Revenues	(69)	-	-	-	-	-	-	-	-	(69)	-
Net Revenues	36,890	45,897	1,518	-	83	25	163	322	14	84,912	75,072
EXPENDITURES:											
General Government	-	-	-	-	-	-	18	-	-	18	9
Resource Development/Recreation	5	-	369	-	-	-	-	-	-	374	20
Debt Service:											
Principal Retirement	355	8,330	760	-	425	-	95	50	16	10,031	9,300
Interest/Fiscal Charges	3,016	6,173	1,043	10,041	178	-	82	67	13	20,613	21,369
Total Expenditures	3,376	14,503	2,172	10,041	603	-	195	117	29	31,036	30,698
Intrafund Expenditures	(69)	-	-	-	-	-	-	-	-	(69)	-
Net Expenditures	3,307	14,503	2,172	10,041	603	-	195	117	29	30,967	30,698
Excess of Revenues Over (Under) Expenditures	33,583	31,394	(654)	(10,041)	(520)	25	(32)	205	(15)	53,945	44,374
OTHER FINANCING SOURCES (USES):											
Bond Proceeds	-	18	-	-	-	-	-	-	-	18	-
General Fixed Asset Sale Proceeds	-	-	315	-	-	-	-	-	-	315	-
Operating Transfers In	2,422	16,866	255	10,041	526	-	-	-	-	30,110	27,035
Operating Transfers Out	(34,345)	(47,843)	(161)	-	-	(60)	-	(186)	-	(82,595)	(72,494)
Retirement of Refunded Bonds	(1,600)	-	-	-	-	-	-	-	-	(1,600)	-
Total Other Financing Sources (Uses)	(33,523)	(30,959)	409	10,041	526	(60)	-	(186)	-	(53,752)	(45,459)
Excess of Revenues/Other Sources Over (Under) Expenditures/ Other Uses	60	435	(245)	-	6	(35)	(32)	19	(15)	93	(1,085)
FUND BALANCES - July 1 - As Previously Reported	24,683	9,885	15,702	10,041	702	330	125	117	382	61,967	59,532
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES - July 1 - As Restated	24,683	9,885	15,702	10,041	702	330	125	117	382	61,967	59,532
Residual Equity Transfers	2,157	-	672	-	-	-	-	-	-	2,829	3,520
FUND BALANCES - June 30	$ 26,900	$ 10,320	$ 16,129	$ 10,041	$ 708	$ 295	$ 93	$ 136	$ 367	$ 64,989	$ 61,967

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major governmental general fixed assets. A brief description of each Capital Projects Fund follows.

Long-Range Building Program - This fund is maintained to account for resources received and expended for the State's long-range building program. The long-range building program includes costs for the acquisition, construction and improvement of major fixed assets financed by general obligation bonds and interest earned on bond proceeds.

Federal/Private Construction Grants - This fund accounts for federal grants, private donations and federal matching funds that are restricted to general fixed asset construction.

Capital Land Grant - This fund accounts for revenues and expenditures from the capital land grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a Debt Service Fund for the payment of principal and interest on bonds issued for capital building construction.

STATE OF MONTANA
Combining Balance Sheet
Capital Projects Funds
June 30, 1990
(Expressed in Thousands)

	LONG-RANGE BUILDING	FEDERAL/PRIVATE CONSTRUCTION GRANT	CAPITAL LAND GRANT	TOTALS - JUNE 30 1990	TOTALS - JUNE 30 1989
ASSETS:					
Cash/Cash Equivalents	$ 263	$ 332	$ -	$ 595	$ 1,039
Receivables (Net)	63	-	-	63	78
Interfund Loans Receivable	550	-	-	550	400
Due from Other Governments	-	372	-	372	449
Due from Other Funds	9	-	13	22	20
Equity in Pooled Cash/Investments	8,695	-	-	8,695	6,083
Long-Term Notes/Loans Receivable	30	-	9	39	52
Other Assets	-	7	4	11	4
TOTAL ASSETS	$ 9,610	$ 711	$ 26	$ 10,347	$ 8,125
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 69	$ 144	$ -	$ 213	$ 304
Interfund Loans Payable	-	550	-	550	400
Due to Other Funds	19	1	-	20	10
Deferred Revenue	30	-	-	30	40
Property Held in Trust	-	21	-	21	71
Total Liabilities	118	716	-	834	825
Fund Balances:					
Reserved for Long-Term Loans	30	-	9	39	12
Unreserved	9,462	(5)	17	9,474	7,288
Total Fund Balances	9,492	(5)	26	9,513	7,300
TOTAL LIABILITIES/FUND BALANCES	$ 9,610	$ 711	$ 26	$ 10,347	$ 8,125

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	LONG-RANGE BUILDING	FEDERAL/ PRIVATE CONSTRUCTION GRANT	CAPITAL LAND GRANT	TOTALS YEAR ENDED JUNE 30 1990	1989
REVENUES:					
Cigarette/Tobacco Tax	$ 3,029	$ -	$ -	$ 3,029	$ 2,250
Charges for Services/Fines/Forfeits	61	-	-	61	77
Investment Earnings	645	-	-	645	585
Grants/Contracts/Donations	-	57	-	57	423
Federal	-	2,056	-	2,056	1,506
Other Revenues	34	-	-	34	79
Total Revenues	3,769	2,113	-	5,882	4,920
Intrafund Revenues	-	-	-	-	(1,185)
Net Revenues	3,769	2,113	-	5,882	3,735
EXPENDITURES:					
Current:					
General Government	3	-	-	3	-
Resource Development/Recreation	-	-	-	-	17
Health/Social Services	20	-	-	20	-
Debt Service	36	-	-	36	-
Capital Outlay	4,007	2,089	-	6,096	6,202
Total Expenditures	4,066	2,089	-	6,155	6,219
Intrafund Expenditures	-	-	-	-	(1,185)
Net Expenditures	4,066	2,089	-	6,155	5,034
Excess of Revenues Over (Under) Expenditures	(297)	24	-	(273)	(1,299)
OTHER FINANCING SOURCES (USES):					
Bond Proceeds	3,540	-	-	3,540	-
Operating Transfers In	1	-	1,641	1,642	1,434
Operating Transfers Out	(1,047)	-	(1,649)	(2,696)	(2,719)
Total Other Financing Sources (Uses)	2,494	-	(8)	2,486	(1,285)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	2,197	24	(8)	2,213	(2,584)
FUND BALANCES - July 1	7,295	(29)	34	7,300	9,884
FUND BALANCES - June 30	$ 9,492	$ (5)	$ 26	$ 9,513	$ 7,300

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1990 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	$ 34		0	$ 34
TOTAL AGENCY	**$ 34**		**0**	**$ 34**
DEPARTMENT OF ADMINISTRATION				
ACCOUNTING PROGRAM		2,100	1,590	510
ARCH & ENGINEERING PGM		581	500	-81
GENERAL SERVICES PROGRAM		59	59	0
TOTAL AGENCY		**$ 2,740**	**$ 2,149**	**$ 591**
LONG RANGE BUILDING PLAN				
STATE NURSING HOME FOR VETS	1,992		0	1,992
WMC SWIM POOL BONDS-TRNSF		1,152	1,152	0
BOND PAYMENTS-83 SERIES-FWP		350	350	0
BOND PAYMENTS-85 SERIES-FWP		182	182	0
MILES CITY HATCHERY-EMERG.REPR	63		63	0
REGION 7 HDQTRS-MILES CITY	950		30	920
ANACONDA HATCHERY	2,200		16	2,184
ARLEE HATCHERY	230		0	230
LEWISTOWN HATCHERY	163		4	159
1989 FW&P GO BOND COSTS	45		36	9
PLAN NATURAL RESCOURCE BLDG-DN	400		400	0
CONSTRUCT FINE ARTS FACILITY-U	7,500		7,475	25
UPGRADE WATER SYSTEM-PRISON	393		393	0
EXPND MUSEUM OF ROCKIES-MSU	6,000		5,159	841
ENG/LAB-CLASSROOM BLDG-MCMST	1,124		1,121	3
"83 ENERGY RETROFIT,PHIII-ADM	1,000		936	64
"83 LND ACQ & GRND IMPR-ADM	127		121	6
STORM DRNG DETENTION BSN-ADM	250		243	7
'83 GT SPR HRTG ST PK IMPR-FWP	75		75	0
CONST PORTE-COCHERE-CA	6		6	0
INDUSTRIES BLDG-PRISON	700		700	0
FORENSIC BLDG IMP & ADDTN-WM S	1,613		1,603	10
'83 RF REP & MJR MTNCE-UNIV.	1,494		1,494	0
MAJOR EXPANSION-PRISON	14,940		14,936	4
CONST DNRC BLDG-CAP CMPLX	6,958		6,932	26
ENGINEERING LAB/CLSSRM BLDG-MC	4,250		4,250	0
CONTROLLED ENVIRONMENT FACILIT	5,302		5,301	1
CONST FISH HATCHERY-CRESTON SP	455		149	306
RENOVATE FISH HTCHRY-GT FALLS-	1,900		1,900	0
RENOVATE FISH HTCHRY-BIG TIMBE	500		498	2
EXCESS INT.EARNING -81BONDS		6,000	5,738	262

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
EXCESS INT.EARNINGS-'83 BONDS		$ 7,500	$ 6,208	$ 1,292
FIRE PROTECTION-CAPITOL COMPLE	361		354	7
ASBESTOS SURVEY & ABTMNT-ST-WI	250		250	0
SANITARY SWR EXPNSN-PRISON	250		250	0
FORENSIC BLDG-MT ST HOSP	4,327		4,327	0
REMDL CTTGE #16- BRSH	33		33	0
'85' MTNCE & REP- MONT ST HOSP	61		61	0
'85' RF RPLCMNTS-ST WIDE-MIL	293		227	66
CMBND SPRT MTNCE FAC-FT HRRSN-	34		34	0
MULTIPLE INDR FRNG RNGS-MIL	23		16	7
ARMORY STORAGE ADDTNS-ST WIDE-	35		21	14
ORGZTNL MTNCE SHOP-CHINOOK-MIL	25		23	2
ORGNZTNL MTNCE SHOP-BILLINGS-M	111		110	1
ORGNZTNL MTNCE SHOP-KLSPEL-MIL	40		23	17
ORGNZTNL MTNCE SHOP-MSLA-MIL	25		3	22
ORGNZTNL MTNCE SHOP-BELGRADE-M	25		10	15
ORGNZTNL MTNCE SHOP-CLBRTSN-MI	25		2	23
"85" PNT SHOPS & ARMORIES-ST W	67		50	17
'85' ROOF RPLCMNTS-MSU	191		144	47
JHNSN/WLSN HALL BRK REP-MSU	2,036		2,007	29
HLTH & SAFETY PROJCTS-UM	398		391	7
'85 MAJ MTNCE & REP-WMC	127		126	1
ELECT DSTRBTN, PH II-UM	550		544	6
MULTIPLE INDR FRNG RNGS-MIL	1,196		980	216
ARMORY STORAGE ADDTNS-ST WIDE-	506		484	22
ORGNZTNL MTNCE SHOP-CHINOOK-MI	632		474	158
ORGNZTNL MTNCE SHOP-BILLINGS-M	632		504	128
ORGNZTNL MTNCE SHOP-KLSPEL-MIL	675		656	19
ORGNZTNL MTNCE SHOP-MSLA=MIL	675		542	133
ORGNZTNL MTNCE SHOP-BELGRADE-M	675		645	30
ORGNZTNL MTNCE SHOP-CLBRTSN-MI	675		572	103
'85' PNT SHPS & ARMRS-ST WIDE-	72		25	47
FEDERAL CONTINGENCY FUNDS-MIL	200		198	2
A&E PRE-PLANNING	200		173	27
FISH HATCHERY EXPSN-MILES CITY	4,959		4,865	94
WASHOE PARK TROUT HATCHERY REP	250		250	0
UPGRADE BIG SPRINGS TROUT HTCH	300		299	1
DEBT SERVICE PAYMENT-WMC		163	163	0
ASBESTOS ABATEMENT,PH II-ADM	500		455	45
REPLACE ROOFS-CAP. COMPLEX-ADM	104		104	0
HNDCPPED MODIFICATIONS-CAP COM	236		231	5
FIRE PROTECTION, PH II-CAP CMP	50		0	50
HELENA JOB SERVICE ADDITION-L&	250		242	8
REPAIR PROJECTS-STILLWATER-LAN	28		15	13
REPLACE ROOF-CHINOOK ARMORY-MI	45		26	19
FEDERAL SPENDING AUTHORITY-MIL	300		256	44
ARMORY STORAGE ADDTNS-ST WIDE-	300		287	13

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
CORRECT HLTH, SFTY & FUME SYST	$ 124		$ 83	$ 41
ELIMINATE PCB-EMC	20		15	5
RENO FIRE ALARM SYSTEMS-WMC	35		34	1
RENO FIRE ALARM SYSTEMS-MSU	38		8	30
IMPR ELECT DIST, PH I-MSU	1,169		1,000	169
WATER & STEAM MAINS-UM	168		159	9
MISC ROOF REPLACEMENT-MCMST	227		93	134
MISC ROOF REPLACEMENT-MSU	396		362	34
REROOF MATH SCIENCE BUILDING	16		0	16
MISC ROOF REPLACEMENT-UM	168		147	21
MISC ROOF REPAIR-WMC	25		24	1
CORRECT LIFE SAFTY CODES-CTTG	157		155	2
REPAIR SEWAGE LAGOON-MDC	53		49	4
INSTALL SMOKE DETECTORS-MSH	10		10	0
REP BOILER & MLTIPRPS ROOF-MSH	157		154	3
REROOF BLDG 104 & LAUNDRY-MDC	143		140	3
IMPR HNDCPPD ACCESS-MSH	131		114	17
IMPR HNDCPPD ACC & INSTALL FEN	21		21	0
DRNG SYSTM & UPGRADE PHY PLNT-	35		34	1
REFURBISH WATER TOWERS-STATEWI	50		20	30
REM CTTGES 16A, B, & C-MDC	1,038		1,016	22
MISC REPAIR PROJECTS-MSH	61		29	32
CONST YARD STRG & TOILETS-PRIS	48		48	0
REMODEL DINING ROOM-MSH	100		2	98
LEGAL FEES & COSTS-PRISON	75		19	56
ROOF REPAIR-CUSTER LODGE-PHS	155		75	80
ROOF REPAIR-ACADEMIC BLDG-MSDB	10		0	10
CONSTRUCT M-1 BAYS-STATEWIDE	30		2	28
REMODEL MSLA ARMORY & DO STUDY	12		0	12
CONSTRUCT LIVINGSTON ARMORY	501		404	97
LAKE ELMO IMPROVEMENTS	150		0	150
MAJOR MAINT-WATER MAINS-UM	130		0	130
REPLACE ROOFS-UM	78		15	63
ELECTRICAL DISTRIB SYS-PH II	1,153		540	613
REPLACE ROOFS-MSU	151		0	151
REPLACE ROOFS-EMC	244		61	183
EXTERIOR DOOR & VESTIBULE-WMC	14		0	14
WINDOW RETROFIT-ENG HALL-TECH	133		6	127
CARPET REPLAC-ADMIN BLDG-MSLA	80		0	80
ROOF REPLACEMENT/REPAIR-MSH	120		96	24
REPLACE HOSP FOORS-GALEN-MSH	27		0	27
CODE DEFICIENCIES-GALEN-MSH	15		12	3
UNIT 57-WOMEN'S CORR CTR-MSH	45		39	6
BOILER RM WATER SOFT-GALEN-MSH	45		0	45
CONST LOW SEC HOUSING UNIT-MSP	1,185		494	691
MDC SUPPLEMENTAL APPROP	290		12	278
ROOF REPLACEMENT/REPAIR-MDC	232		97	135

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
PROJECT-LENGTH SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - CAPITAL PROJECTS FUND TYPE
BEGINNING OF PROJECT TO JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
LONG RANGE BUILDING PLAN				
BLDG MOD & EXT LIGHT-CTR AGED	$ 45		0	$ 45
HAZARDOUS MATERIAL ABATEMENT	200		0	200
WATER TOWERS & SYSTEMS-STWIDE	450		20	430
PHYSICAL ED BLDG ROOF REPLACE	230		0	230
PLANNING REMODEL OF SUB-WMC	50		0	50
TOTAL AGENCY	**$ 93,617**	**$ 15,347**	**$ 94,532**	**$ 14,432**
ADJUTANT GENERAL				
VETERANS AFFAIRS PROGRAM	30		20	10
TOTAL AGENCY	**$ 30**		**$ 20**	**$ 10**
AGENCY PROGRAM TOTALS	**$ 93,681**	**$ 18,087**	**$ 96,701**	**$ 15,067**

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that provide goods or services to the public on a user charge basis. A brief description of each Enterprise Fund follows.

Housing Authority - This fund is maintained to account for activities of the Montana Board of Housing. The Board issues bonds and carries federally insured mortgage notes to provide qualified individuals with financing to purchase residential housing.

State Compensation Mutual Insurance - This fund accounts for contributions received for workers' compensation from participating employers, benefit payments to injured workers and administrative costs of the fund.

Economic Development Bonds - This operation is directed by the nine-member Board of Investments, administered by the Department of Commerce. This fund accounts for the Industrial Development Bond (IDB) Program and the Montana Cash Anticipation Program. Outstanding bonds may not aggregate greater than $75 million. This program assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

Employees Group Benefits - This fund receives employee (excluding higher education units) withholdings and State contributions to the medical self-insurance plan. The State contracted with Montana Physicians Service to oversee the administrative functions of the program.

Liquor Stores - This fund accounts for activities related to the sale and distribution of alcoholic beverages and licensing within the State. Profits and license fees are used to finance General Fund expenditures.

State Lottery - This fund accounts for the operations of Montana's lottery.

MUS Group Insurance - This fund accounts for employee contributions to the Montana University System's (MUS) medical/dental self-insurance plan.

Montana State Prison Ranch/Industries - These operations provide training and employment for inmates. The products produced are sold to State agencies, non-profit organizations and other customers in accordance with State policies.

FWP Snowgroomer Rental - This fund accounts for activities related to providing snowgroomer equipment to snowmobile clubs which are assessed fees for use of the equipment.

Historical Society Publications - This fund accounts for the Historical Society's sales from "Montana, The Magazine of Western History", books, publications and merchandise from the Historical Society store.

West Yellowstone Airport - This fund, administered by the Department of Commerce, accounts for operations of the airport at West Yellowstone. User airlines are assessed rent and landing fees.

Health Facilities Authority - This operation, administered by the Department of Commerce, began in fiscal year 1984. The purpose of the Authority, composed of a seven-member Board of Directors, is to contain future health care costs of the people of Montana through reduced debt financing of capital equipment and buildings for Montana's non-profit health care institutions. Bonded debt issuances are limited to $150 million per biennium. The only source of funding is fee revenues generated through loans made from bond proceeds.

Department of Agriculture - This fund accounts for fees collected from persons importing, possessing or controlling alfalfa leaf-cutting bees and the costs incurred in certifying that the bees are disease free; and the application fees from the operations of the Beginning Farm Loan Program.

Fire Services Training School - This fund accounts for revenues from the sale of textbooks, newsletters, patches, pens, caps and education services and materials by the Fire Services Training School.

STATE OF MONTANA
Combining Balance Sheet
Enterprise Funds
June 30, 1990
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE	ECONOMIC DEVELOPMENT BONDS	EMPLOYEES GROUP BENEFITS	LIQUOR STORES	STATE LOTTERY	MUS GROUP INSURANCE
ASSETS:							
Cash/Cash Equivalents	$ 64,620	$ 5,127	$ 14,723	$ 136	$ 912	$ 517	$ 139
Cash with Fiscal Agent	-	-	557	-	-	-	-
Receivables (Net)	7,157	26,909	372	180	175	771	-
Interfund Loans Receivable	-	-	-	-	-	-	-
Due from Other Funds	60	13,801	-	816	941	2	459
Inventories	-	47	-	-	10,285	108	-
Equity in Pooled Cash/Investments	-	20,741	503	5,674	-	825	3,348
Long-Term Loans/Notes Receivable	438,168	6	18,663	-	-	-	-
Investments	133,033	20,735	2,220	8,388	-	-	-
Land	-	-	-	-	-	-	-
Buildings/Improvements	-	-	-	-	1,736	-	-
Equipment	176	880	40	20	772	768	23
Other Fixed Assets	-	-	-	-	-	4	-
Accumulated Depreciation	(135)	(140)	(24)	(9)	(1,019)	(342)	(9)
Construction in Progress	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	388	-
Deferred Charges	9,527	-	686	-	-	-	-
Other Assets	371	8,515	-	-	129	8	2
TOTAL ASSETS	$ 652,977	$ 96,621	$ 37,740	$ 15,205	$ 13,931	$ 3,049	$ 3,962
LIABILITIES/FUND EQUITY:							
Liabilities:							
Accounts Payable	$ 6,931	$ 166	$ 1,227	$ 195	$ 1,568	$ 527	$ 12
Lottery Prizes Payable	-	-	-	-	-	646	-
Interfund Loans Payable	-	-	8	-	-	-	-
Due to Other Funds	86	7,377	9	15	3,525	1,597	3
Deferred Revenue	-	-	305	-	888	20	403
Installment Purchase/Lease Payable	1	-	-	-	-	165	-
Bonds/Notes Payable (Net)	584,660	-	34,575	-	-	-	-
Property Held in Trust	4	16,120	-	-	87	-	-
Compensated Absences Payable	28	349	11	10	237	94	10
Estimated Insurance Claims	-	294,464	-	4,979	-	-	1,643
Arbitrage Rebate Tax Payable	202	-	-	-	-	-	-
Total Liabilities	591,912	318,476	36,135	5,199	6,305	3,049	2,071
Fund Equity:							
Contributed Capital	-	795	23	-	1,916	-	-
Retained Earnings:							
Reserved for: Debt Service	59,273	-	-	-	-	-	-
Employee Benefits	-	-	-	10,006	-	-	1,891
Unreserved	1,792	(222,650)	1,582	-	5,710	-	-
Total Fund Equity	61,065	(221,855)	1,605	10,006	7,626	-	1,891
TOTAL LIABILITIES/FUND EQUITY	$ 652,977	$ 96,621	$ 37,740	$ 15,205	$ 13,931	$ 3,049	$ 3,962

PRISON RANCH	PRISON INDUSTRIES	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY	DEPT OF AGRICULTURE	FIRE SERVICES TRAINING SCHOOL	TOTALS - JUNE 30 (AS RESTATED) 1990	1989
$ 914	$ 272	$ 42	$ 170	$ 104	$ 10	$ 3	$ 7	$ 87,696	$ 102,723
-	-	-	-	-	139	-	-	696	1,892
54	34	-	18	9	1	-	-	35,680	35,785
15	-	-	-	-	-	-	-	15	20
39	130	1	-	11	-	-	-	16,260	5,765
2,628	315	-	322	-	-	-	3	13,708	11,480
-	-	-	-	-	241	5	-	31,337	13,427
-	-	-	-	-	-	-	-	456,837	459,617
-	-	-	-	-	-	-	-	164,376	123,820
690	-	-	-	-	-	-	-	690	690
1,234	289	-	-	383	-	-	-	3,642	3,444
1,185	253	672	32	106	23	2	-	4,952	4,537
-	-	-	1	-	-	-	-	5	5
(1,179)	(263)	(168)	(16)	(304)	(12)	(1)	-	(3,621)	(3,406)
111	-	-	-	-	-	-	-	111	1
1	-	-	4	-	-	-	-	393	598
-	-	-	-	-	-	-	-	10,213	10,374
-	-	-	-	-	1	-	-	9,026	8,935
$ 5,692	$ 1,030	$ 547	$ 531	$ 309	$ 403	$ 9	$ 10	$ 832,016	$ 779,707
$ 39	$ 27	$ -	$ 4	$ 5	$ 3	$ -	$ 1	$ 10,705	$ 10,578
-	-	-	-	-	-	-	-	646	1,505
-	15	-	-	-	-	-	-	23	20
38	14	-	42	3	8	-	2	12,719	2,299
-	1	-	99	-	-	-	-	1,716	771
-	-	-	-	-	-	-	-	166	357
-	-	-	-	-	-	-	-	619,235	606,865
-	-	-	-	-	-	-	-	16,211	15,076
56	11	-	8	1	12	-	-	827	868
-	-	-	-	-	-	-	-	301,086	270,591
-	-	-	-	-	-	-	-	202	-
133	68	-	153	9	23	-	3	963,536	908,930
-	255	469	34	9	-	186	3	3,690	3,556
-	-	-	-	-	-	-	-	59,273	54,478
-	-	-	-	-	-	-	-	11,897	15,649
5,559	707	78	344	291	380	(177)	4	(206,380)	(202,906)
5,559	962	547	378	300	380	9	7	(131,520)	(129,223)
$ 5,692	$ 1,030	$ 547	$ 531	$ 309	$ 403	$ 9	$ 10	$ 832,016	$ 779,707

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Enterprise Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE	ECONOMIC DEVELOPMENT BONDS	EMPLOYEES GROUP BENEFITS	LIQUOR STORES	STATE LOTTERY	MUS GROUP INSURANCE
OPERATING REVENUES:							
Charges for Services	$ 57	$ 10	$ 182	$ 21,591	$ 36,235	$ 21,507	$ -
Investment Earnings	56,924	3,876	2,780	1,404	-	26	310
Contributions/Premiums	-	91,591	-	-	-	-	9,673
Taxes	-	-	-	-	8,892	-	-
Other Operating Revenues	21	44	-	1	1	6	-
Total Operating Revenues	57,002	95,521	2,962	22,996	45,128	21,539	9,983
Intrafund Revenues	-	-	-	-	-	-	-
Net Operating Revenues	57,002	95,521	2,962	22,996	45,128	21,539	9,983
OPERATING EXPENSES:							
Personal Services	315	2,025	95	177	3,442	919	70
Contractual Services	2,059	1,977	34	950	1,507	4,075	185
Supplies/Materials	6	-	5	3	25,400	656	1
Expendable Equipment	2	18	-	-	-	-	-
Benefits	-	122,638	-	25,175	-	-	9,822
Depreciation	29	54	5	4	87	118	2
Utilities/Rent	30	51	15	6	705	95	-
Communications	22	138	19	15	128	848	4
Travel	14	47	7	2	25	42	4
Repair/Maintenance	65	62	1	1	58	84	-
Lottery Prize Payments	-	-	-	-	-	10,190	-
Interest Expense	48,800	-	3,211	-	-	-	-
Arbitrage Rebate Tax	202	-	-	-	-	-	-
Other Operating Expenses	512	25	11	30	9	338	280
Total Operating Expenses	52,056	127,035	3,403	26,363	31,361	17,365	10,368
Intrafund Expenses	-	-	-	-	-	-	-
Net Operating Expenses	52,056	127,035	3,403	26,363	31,361	17,365	10,368
Operating Income (Loss)	4,946	(31,514)	(441)	(3,367)	13,767	4,174	(385)
NONOPERATING REVENUES (EXPENSES):							
Gain (Loss) on Sale of Fixed Assets	-	-	-	-	(18)	(5)	-
Increase (Decrease) Value of Livestock	-	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	-	-	-	(18)	(5)	-
Income (Loss) Before Operating Transfers	4,946	(31,514)	(441)	(3,367)	13,749	4,169	(385)
Operating Transfers In	-	32,977	-	-	-	-	-
Operating Transfers Out	-	(6,010)	-	-	(14,021)	(4,169)	-
Net Income (Loss)	4,946	(4,547)	(441)	(3,367)	(272)	-	(385)
RETAINED EARNINGS - JULY 1 - As Previously Reported With Restatement	56,119	(218,106)	1,545	13,373	5,982	-	2,276
Prior Period Adjustments	-	3	478	-	-	-	-
RETAINED EARNINGS - JULY 1 - As Restated	56,119	(218,103)	2,023	13,373	5,982	-	2,276
RETAINED EARNINGS - JUNE 30	$ 61,065	$ (222,650)	$ 1,582	$ 10,006	$ 5,710	$ -	$ 1,891

PRISON RANCH	PRISON INDUSTRIES	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY	DEPT OF AGRICULTURE	FIRE SERVICES TRAINING SCHOOL	TECH INVEST-MENT	TOTALS (AS RESTATED) YEAR ENDED JUNE 30 1990	1989
$ 1,719	$ 1,102	$ 78	$ 563	$ -	$ 264	$ 8	$ 23	$ -	$ 83,339	$ 70,354
-	-	-	-	-	8	1	-	-	65,329	65,553
-	-	-	-	-	-	-	-	-	101,264	95,938
-	-	-	-	-	-	-	-	-	8,892	8,862
-	-	-	-	40	24	-	-	-	137	140
1,719	1,102	78	563	40	296	9	23	-	258,961	240,847
(67)	-	-	-	-	-	-	-	-	(67)	-
1,652	1,102	78	563	40	296	9	23	-	258,894	240,847
492	299	-	148	25	49	-	2	-	8,058	5,961
28	14	1	36	2	28	6	7	-	10,909	4,967
434	593	-	320	6	1	-	7	-	27,432	25,931
-	-	-	-	-	-	-	1	-	21	160
-	-	-	-	-	-	-	-	-	157,635	205,331
25	12	24	1	9	3	-	-	-	373	536
52	6	-	9	7	2	-	-	-	978	1,000
5	4	-	19	2	6	-	2	-	1,212	517
3	6	-	3	1	11	2	2	-	169	108
109	42	-	1	6	1	-	-	-	430	361
-	-	-	-	-	-	-	-	-	10,190	5,300
-	-	-	-	-	-	-	-	-	52,011	52,727
-	-	-	-	-	-	-	-	-	202	-
90	15	-	11	3	10	-	1	-	1,335	633
1,238	991	25	548	61	111	8	22	-	270,955	303,532
(67)	-	-	-	-	-	-	-	-	(67)	-
1,171	991	25	548	61	111	8	22	-	270,888	303,532
481	111	53	15	(21)	185	1	1	-	(11,994)	(62,685)
-	-	-	-	-	-	-	-	-	(23)	(11)
300	-	-	-	-	-	-	-	-	300	70
300	-	-	-	-	-	-	-	-	277	59
781	111	53	15	(21)	185	1	1	-	(11,717)	(62,626)
-	-	-	46	11	-	-	-	-	33,034	13,081
-	-	-	-	-	-	-	-	-	(24,200)	(23,397)
781	111	53	61	(10)	185	1	1	-	(2,883)	(72,942)
4,871	605	25	283	301	195	(178)	3	(73)	(132,779)	(25,992)
(93)	(9)	-	-	-	-	-	-	73	452	(33,845)
4,778	596	25	283	301	195	(178)	3	-	(132,327)	(59,837)
$ 5,559	$ 707	$ 78	$ 344	$ 291	$ 380	$ (177)	$ 4	$ -	$(135,210)	$(132,779)

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Enterprise Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE	ECONOMIC DEVELOPMENT BONDS	EMPLOYEES GROUP BENEFITS	LIQUOR STORES	STATE LOTTERY	MUS GROUP INSURANCE
SOURCES OF WORKING CAPITAL:							
Operations:							
Net Income (Loss)	$ 4,946	$ (4,547)	$ (441)	$ (3,367)	$ (272)	$ -	$ (385)
Items Not Requiring Working Capital:							
Depreciation	29	54	5	4	87	118	2
Working Capital Provided by Operations	4,975	(4,493)	(436)	(3,363)	(185)	118	(383)
Decrease in Long-Term Investments	287,145	5,666	2,913	15,931	-	-	-
Disposal of Fixed Assets	-	-	486	-	20	218	6
Decrease in Noncurrent Receivables	477,179	4	11,445	-	-	-	-
Increase in Noncurrent Payables	733,953	29,866	19,750	618	-	-	9
Increase in Contributed Capital	-	795	-	-	-	-	-
Increase in Compensated Absences Payable	15	349	5	-	-	20	3
Total Sources of Working Capital	1,503,267	32,187	34,163	13,186	(165)	356	(365)
USES OF WORKING CAPITAL:							
Increase in Long-Term Investments	327,876	8,121	3,379	12,836	-	-	-
Acquisition of Fixed Assets	13	294	8	-	41	67	7
Increase in Noncurrent Receivables	469,832	10	16,005	-	-	-	-
Decrease of Noncurrent Payables	716,763	-	24,209	-	-	189	-
Decrease in Contributed Capital	-	588	-	-	-	-	-
Decrease in Compensated Absences Payable	23	388	-	1	12	-	-
Total Uses of Working Capital	1,514,507	9,401	43,601	12,837	53	256	7
Net Increase (Decrease) in Working Capital	$ (11,240)	$ 22,786	$ (9,438)	$ 349	$ (218)	$ 100	$ (372)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:							
Cash/Cash Equivalents	$ (9,574)	$ 4,838	$ (8,562)	$ (1,303)	$ (275)	$ (270)	104
Cash with Fiscal Agent	(7)	-	(1,189)	-	-	-	-
Receivables (Net)	(371)	107	(44)	8	151	111	(1)
Interfund Loans Receivable	-	-	-	-	-	-	-
Due from Other Funds	44	8,694	-	651	935	2	119
Inventories	-	47	-	-	1,809	(26)	-
Equity in Pooled Cash/Investments	-	16,536	503	333	-	825	(530)
Other Assets	(730)	740	-	-	76	1	3
Accounts Payable	(552)	(50)	(156)	664	138	(165)	(2)
Lottery Prizes Payable	-	-	-	-	-	860	-
Interfund Loans Payable	-	-	(8)	-	-	-	-
Due to Other Funds	(46)	(7,029)	(6)	(4)	(2,080)	(1,218)	5
Deferred Revenue	-	-	24	-	(888)	(20)	(70)
Property Held in Trust	(4)	(1,097)	-	-	(84)	-	-
Net Increase (Decrease) in Working Capital	$ (11,240)	$ 22,786	$ (9,438)	$ 349	$ (218)	$ 100	$ (372)

PRISON RANCH	PRISON INDUSTRIES	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY	DEPT OF AGRICULTURE	FIRE SERVICES TRAINING SCHOOL	TOTALS (AS RESTATED) YEAR ENDED JUNE 30 1990	1989
$ 781	$ 111	$ 53	$ 61	$ (10)	$ 185	$ 1	$ 1	$ (2,883)	$ (72,942)
25	12	24	1	9	3	-	-	373	536
806	123	77	62	(1)	188	1	1	(2,510)	(72,406)
-	-	-	-	-	-	-	-	311,655	19,109
3	212	-	1	-	1	-	-	947	205
-	-	-	-	-	-	-	-	488,628	9,055
-	-	-	-	-	-	-	-	784,196	251,012
-	-	-	-	-	-	-	-	795	126
3	-	-	1	-	-	-	-	396	24
812	335	77	64	(1)	189	1	1	1,584,107	207,125
-	-	-	-	-	-	-	-	352,212	20,862
491	248	83	1	-	1	-	-	1,254	543
-	-	-	-	-	-	-	-	485,847	16,562
-	-	-	-	-	-	-	-	741,161	160,418
-	-	-	-	-	-	-	-	588	-
-	1	-	11	-	2	-	-	438	62
491	249	83	12	-	3	-	-	1,581,500	198,447
$ 321	$ 86	$ (6)	$ 52	$ (1)	$ 186	$ 1	$ 1	$ 2,607	$ 8,678
$ 9	$ 15	$ (7)	$ 51	$ (5)	$ (48)	$ (2)	$ 3	$ (15,026)	$ 596
-	-	-	-	-	-	-	-	(1,196)	1,876
8	(16)	-	(55)	(2)	(1)	-	-	(105)	2,581
(5)	-	-	-	-	-	-	-	(5)	(5)
5	22	1	(1)	11	-	-	-	10,483	916
312	(3)	-	91	-	-	-	-	2,230	1,101
-	-	-	-	-	241	2	-	17,910	(621)
-	-	-	-	-	1	-	-	91	880
(6)	10	-	(2)	(3)	(3)	-	(1)	(128)	(2,023)
-	-	-	-	-	-	-	-	860	2,001
-	5	-	-	-	-	-	-	(3)	78
(2)	(1)	-	(36)	(2)	(4)	1	(1)	(10,423)	1,680
-	4	-	4	-	-	-	-	(946)	(307)
-	50	-	-	-	-	-	-	(1,135)	(75)
$ 321	$ 86	$ (6)	$ 52	$ (1)	$ 186	$ 1	$ 1	$ 2,607	$ 8,678

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - ENTERPRISE FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
COMMISSIONER OF HIGHER ED				
MUS GROUP INSURANCE PROGRAM	$ 10,413		$ 10,352	$ 61
TOTAL AGENCY	**$ 10,413**		**$ 10,352**	**$ 61**
HISTORICAL SOCIETY				
MAGAZINE PROGRAM	637		608	29
TOTAL AGENCY	**$ 637**		**$ 608**	**$ 29**
FIRE SERVICES TRAINING SCHOOL				
FIRE SERVICES TRAINING SCHOOL	52		19	33
TOTAL AGENCY	**$ 52**		**$ 19**	**$ 33**
DEPT OF FISH, WILDLIFE & PARKS				
RECREATION & PARKS DIVISION	90		90	0
TOTAL AGENCY	**$ 90**		**$ 90**	**0**
DEPARTMENT OF REVENUE				
DIRECTORS OFFICE	360		360	0
DATA PROCESSING DIVISION	455		455	0
LIQUOR DIVISION	33,518		32,295	1,223
LIQUOR DIVISION		14,160	13,603	557
TOTAL AGENCY	**$ 34,333**	**$ 14,160**	**$ 46,713**	**$ 1,780**
DEPARTMENT OF ADMINISTRATION				
STATE PERSONNEL DIVISION	28,389		25,737	2,652
TOTAL AGENCY	**$ 28,389**		**$ 25,737**	**$ 2,652**
STATE COMP. MUTUAL INS. FUND				
ST. COMPENSATION MUTUAL INS. F	54,858		44,006	10,852
ST. COMPENSATION MUTUAL INS. F		991	843	148

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - ENTERPRISE FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
STATE COMP. MUTUAL INS. FUND				
TOTAL AGENCY	**$ 54,858**	**$ 991**	**$ 44,849**	**$ 11,000**
LONG RANGE BUILDING PLAN				
DEPARTMENTS & AGENCIES	170		8	162
TOTAL AGENCY	**$ 170**		**$ 8**	**$ 162**
DEPARTMENT OF AGRICULTURE				
PLANT INDUSTRY DIVISION	10		8	2
TOTAL AGENCY	**$ 10**		**$ 8**	**$ 2**
DEPARTMENT OF INSTITUTIONS				
MANAGEMENT SERVICES DIVISION	6		6	0
TOTAL AGENCY	**$ 6**		**$ 6**	**0**
MONTANA STATE PRISON				
RANCH & DAIRY	2,371		1,707	664
LICENSE PLATE FACTORY	25		0	25
PRISON INDUSTRIES REVOLVING	1,014		833	181
PRISON INDUSTRIES TRAINING	255		176	79
TOTAL AGENCY	**$ 3,665**		**$ 2,716**	**$ 949**
DEPARTMENT OF COMMERCE				
AERONAUTICS DIVISION	52		52	0
HEALTH FACILITIES AUTHORITY	115		113	2
BOARD OF HOUSING	2,243		1,572	671
INVESTMENTS DIVISION	368		182	186
MONTANA STATE LOTTERY	17,712		17,246	466
MONTANA STATE LOTTERY		4,174	4,169	5
TOTAL AGENCY	**$ 20,490**	**$ 4,174**	**$ 23,334**	**$ 1,330**
AGENCY PROGRAM TOTALS	**$ 153,113**	**$ 19,325**	**$ 154,440**	**$ 17,998**

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for operations that provide goods or services to other agencies or programs of state government on a cost-reimbursement basis. A brief description of each Internal Service Fund follows.

Office Supplies & Equipment - Four internal service funds under the Departments of Fish, Wildlife and Parks (FWP Equipment, FWP Warehouse Inventory & FWP Office Supply) and Highways (Highway Equipment) are used to account for inter- and intradepartmental sales and use of office supplies and equipment.

Communications - State agencies and private users are assessed a fee for their use of the State's phone system.

Admin. Insurance - The Department of Administration accounts for the State's property self-insurance program (including liability, property, flood, etc.) in this fund.

Central Data Processing - State agencies are assessed a fee for their use of centralized data processing, systems design services, records storage and microfilm services provided by the Department of Administration.

Motor Pool - State employees' transportation is provided by the Department of Highways through a pool of vehicles. The cost of operating the Motor Pool are recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

Admin. Property & Supply - The Department of Administration accounts for the intragovernmental sales of office supplies and paper products and federal surplus property sales to State agencies, local governments and certain other non-profit organizations in this fund.

Publications & Graphics - Agencies are assessed a fee for duplicating, typesetting, forms design and graphic arts services.

Buildings & Grounds - Rent proceeds from State agencies are used to pay maintenance, security and landscaping costs for State-owned property.

Local Government Audits - Political subdivisions are assessed a fee for audit services provided them by the State.

Central Services - Funds are used by the Departments of Commerce, Labor and Industry and Office of Public Instruction for administrative services provided on a cost recovery basis to programs within the departments.

Mail & Messenger - This fund accounts for costs associated with intrastate government mail and package delivery.

Investment Division - This fund accounts for costs associated with operations of the Board of Investments. The Board assists agencies in the investment of State funds. Costs of administering and accounting for each investment fund are allocated based on the dollar volume of investments held by user agencies.

DHES Indirect Cost Pool - This fund is used to account for funds collected as indirect costs from the operating units of the Department of Health and Environmental Sciences and used to fund the Department's indirect cost pool operations that provide services to the Department.

Aircraft Operations - The Department of State Lands accounts for fees charged to users of State aircraft in this fund.

Legal Services - The Attorney General's Office and the Department of Justice charge other State agencies a fee for legal assistance. The Department of Administration funds legal services with intradepartmental fees.

Personnel Training - This fund accounts for fees charged State agencies for training State employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

PSC Audit Reimbursement - The Public Service Commission accounts for out-of-state travel in this fund.

STATE OF MONTANA
Combining Balance Sheet
Internal Service Funds
June 30, 1990
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ADMIN. INSURANCE	CENTRAL DATA PROCESSING	FWP EQUIPMENT
ASSETS:					
Cash/Cash Equivalents	$ 1,985	$ 2,667	$ 206	$ 462	$ 551
Cash with Fiscal Agent	-	6	-	-	-
Receivables (Net)	21	9	91	1	1
Interfund Loans Receivable	-	-	-	-	-
Due from Other Governments	8	-	-	-	12
Due from Other Funds	520	737	33	800	138
Inventories	-	-	-	19	-
Equity in Pooled Cash/Investments	-	-	2,231	-	-
Investments	-	624	3,895	-	-
Land	-	-	-	-	-
Buildings/Improvements	-	-	-	-	5
Equipment	56,347	13,015	55	12,364	5,083
Other Fixed Assets	-	-	-	-	-
Accumulated Depreciation	(24,192)	(7,564)	(27)	(6,688)	(2,211)
Construction in Progress	1,846	-	-	-	-
Intangible Assets	-	57	-	237	-
Deferred Charges	-	113	-	-	-
Other Assets	-	1	29	7	-
TOTAL ASSETS	$ 36,535	$ 9,665	$ 6,513	$ 7,202	$ 3,579
LIABILITIES/FUND EQUITY:					
Liabilities:					
Accounts Payable	$ 204	$ 502	$ 185	$ 82	$ 84
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	570	62	50	186	4
Deferred Revenue	-	-	-	-	-
Installment Purchase/Lease Payable	-	2,217	-	3,762	-
Bonds/Notes Payable (Net)	-	4,795	-	-	-
Property Held in Trust	-	-	-	-	-
Compensated Absences Payable	395	67	27	356	9
Estimated Claims	-	-	615	-	-
Total Liabilities	1,169	7,643	877	4,386	97
Fund Equity:					
Contributed Capital	1,544	35	-	-	398
Retained Earnings:					
Reserved for Insurance Claims	-	-	5,636	-	-
Unreserved	33,822	1,987	-	2,816	3,084
Total Fund Equity	35,366	2,022	5,636	2,816	3,482
TOTAL LIABILITIES/FUND EQUITY	$ 36,535	$ 9,665	$ 6,513	$ 7,202	$ 3,579

MOTOR POOL	ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS	LOCAL GOVERNMENT AUDITS	COMMERCE CENTRAL SERVICES	FWP WAREHOUSE INVENTORY
$ 180	$ 449	$ 445	$ 745	$ 193	$ 392	$ 61
-	-	-	-	-	-	-
-	30	-	1	151	-	-
-	-	-	-	-	-	-
10	-	-	-	-	-	-
143	128	347	80	5	90	37
-	748	38	-	-	-	136
-	-	-	-	-	-	-
-	3	-	-	-	-	-
236	-	-	-	-	-	-
-	-	-	-	-	-	-
2,173	250	1,756	211	96	117	-
-	-	-	-	-	10	-
(944)	(184)	(1,187)	(137)	(65)	(76)	-
-	-	-	-	-	-	-
-	25	1	2	-	-	-
-	-	-	-	-	-	-
-	3	133	112	1	3	-
$ 1,798	$ 1,452	$ 1,533	$ 1,014	$ 381	$ 536	$ 234
$ 14	$ 56	$ 287	$ 109	$ 4	$ 16	$ 33
185	-	-	-	-	-	-
16	29	44	265	60	70	6
-	-	-	-	-	45	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	12	-	3	-	-	-
5	26	48	54	113	143	6
-	-	-	-	-	-	-
220	123	379	431	177	274	45
-	248	92	5	60	-	85
-	-	-	-	-	-	-
1,578	1,081	1,062	578	144	262	104
1,578	1,329	1,154	583	204	262	189
$ 1,798	$ 1,452	$ 1,533	$ 1,014	$ 381	$ 536	$ 234

Continued on next page.

STATE OF MONTANA
Combining Balance Sheet - Continued
Internal Service Funds
June 30, 1990
(Expressed in Thousands)

	MAIL & MESSENGER	INVESTMENT DIVISION	DHES INDIRECT COST POOL	AIRCRAFT OPERATION	JUSTICE LEGAL
ASSETS:					
Cash/Cash Equivalents	$ 111	$ 145	$ 79	$ 169	$ 91
Cash with Fiscal Agent	-	-	-	-	-
Receivables (Net)	-	-	-	-	-
Interfund Loans Receivable	-	8	-	-	-
Due from Other Governments	-	-	-	-	-
Due from Other Funds	112	51	114	44	47
Inventories	-	-	-	-	-
Equity in Pooled Cash/Investments	-	-	-	-	-
Investments	-	-	-	-	-
Land	-	-	-	-	-
Buildings/Improvements	-	-	-	-	-
Equipment	75	137	115	-	95
Other Fixed Assets	-	-	-	-	-
Accumulated Depreciation	(27)	(70)	(17)	-	(35)
Construction in Progress	-	-	-	-	-
Intangible Assets	-	28	-	-	1
Deferred Charges	-	-	-	-	-
Other Assets	-	5	-	-	-
TOTAL ASSETS	$ 271	$ 304	$ 291	$ 213	$ 199
LIABILITIES/FUND EQUITY:					
Liabilities:					
Accounts Payable	$ 10	$ 17	$ 4	$ 1	$ 10
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	9	50	36	2	17
Deferred Revenue	-	-	-	-	-
Installment Purchase/Lease Payable	-	-	-	-	-
Bonds/Notes Payable (Net)	-	-	-	-	-
Property Held in Trust	-	-	-	-	-
Compensated Absences Payable	16	87	86	2	47
Estimated Claims	-	-	-	-	-
Total Liabilities	35	154	126	5	74
Fund Equity:					
Contributed Capital	-	21	284	-	10
Retained Earnings:					
Reserved for Insurance Claims	-	-	-	-	-
Unreserved	236	129	(119)	208	115
Total Fund Equity	236	150	165	208	125
TOTAL LIABILITIES/FUND EQUITY	$ 271	$ 304	$ 291	$ 213	$ 199

OPI CENTRAL SERVICES	FWP OFFICE SUPPLY	PERSONNEL TRAINING	PSC AUDIT REIMBURSE-MENTS	ADMIN. LEGAL	LABOR CENTRAL SERVICES	TOTALS - JUNE 30 1990	1989
$ 13	$ 16	$ 68	$ 2	$ 3	$ 483	$ 9,516	$ 9,733
-	-	-	-	-	-	6	-
-	-	2	4	-	-	311	341
-	-	-	-	-	-	8	-
-	-	-	-	-	-	30	18
80	4	20	-	-	41	3,571	3,605
-	6	-	-	-	-	947	1,157
-	-	-	-	-	-	2,231	2,304
-	-	-	-	-	-	4,522	4,419
-	-	-	-	-	-	236	236
-	-	-	-	-	-	5	-
9	58	25	-	-	168	92,149	89,499
-	-	-	-	-	-	10	10
(2)	(34)	(16)	-	-	(67)	(43,543)	(38,911)
-	-	-	-	-	-	1,846	187
-	-	-	-	-	-	351	300
-	-	-	-	-	-	113	141
-	-	-	-	-	-	294	69
$ 100	$ 50	$ 99	$ 6	$ 3	$ 625	$ 72,603	$ 73,108
$ 7	$ -	$ 1	$ -	$ -	$ 5	$ 1,631	$ 1,494
-	-	-	-	-	-	185	846
32	4	10	1	2	112	1,637	1,632
-	-	-	-	-	369	414	185
-	-	-	-	-	-	5,979	6,635
-	-	-	-	-	-	4,795	5,935
-	-	1	-	-	-	16	14
37	11	8	-	12	174	1,729	1,849
-	-	-	-	-	-	615	-
76	15	20	1	14	660	17,001	18,590
-	25	1	-	-	-	2,808	2,659
-	-	-	-	-	-	5,636	6,170
24	10	78	5	(11)	(35)	47,158	45,689
24	35	79	5	(11)	(35)	55,602	54,518
$ 100	$ 50	$ 99	$ 6	$ 3	$ 625	$ 72,603	$ 73,108

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ADMIN. INSURANCE	CENTRAL DATA PROCESSING	FWP EQUIPMENT
OPERATING REVENUES:					
Charges for Services	$ 11,505	$ 8,104	$ 3,698	$ 7,556	$ 1,358
Investment Earnings	-	117	518	-	-
Other Operating Revenues	-	-	2	-	13
Total Operating Revenues	11,505	8,221	4,218	7,556	1,371
Intrafund Revenues	-	(250)	-	-	-
Net Operating Revenues	11,505	7,971	4,218	7,556	1,371
OPERATING EXPENSES:					
Personal Services	3,421	640	301	3,162	65
Contractual Services	241	159	2,362	139	81
Supplies/Materials	2,479	6	19	260	380
Expendable Equipment	-	-	1	-	-
Benefits	-	-	1,627	-	-
Depreciation	3,269	1,417	13	1,994	490
Utilities/Rent	43	18	7	869	13
Communications	5	4,560	14	463	-
Travel	35	30	24	40	-
Repair/Maintenance	1,842	6	4	395	295
Interest Expense	-	527	-	300	-
Other Operating Expenses	34	25	13	284	-
Total Operating Expenses	11,369	7,388	4,385	7,906	1,324
Intrafund Expenses	-	(250)	-	-	-
Net Operating Expenses	11,369	7,138	4,385	7,906	1,324
Operating Income (Loss)	136	833	(167)	(350)	47
NONOPERATING REVENUES (EXPENSES):					
Interest Earnings	-	-	-	-	-
Gain (Loss) on Sale of Fixed Assets	112	(240)	-	(3)	-
Federal Assistance	-	-	-	-	-
Federal Indirect Cost Recoveries	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	112	(240)	-	(3)	-
Income (Loss) before Operating Transfers	248	593	(167)	(353)	47
Operating Transfers In	-	71	100	198	164
Operating Transfers Out	-	-	(100)	-	-
Net Income (Loss)	248	664	(167)	(155)	211
RETAINED EARNINGS - July 1 - As Previously Reported	33,589	1,323	6,170	2,971	2,873
Prior Period Adjustments	(15)	-	(367)	-	-
RETAINED EARNINGS - JULY 1 - As Restated	33,574	1,323	5,803	2,971	2,873
Residual Equity Transfers	-	-	-	-	-
RETAINED EARNINGS - JUNE 30	$ 33,822	$ 1,987	$ 5,636	$ 2,816	$ 3,084

MOTOR POOL	ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	HIGHWAY PHOTO/DATA PROCESSING	BUILDINGS & GROUNDS	LOCAL GOVERNMENT AUDITS	COMMERCE CENTRAL SERVICES	FWP WAREHOUSE INVENTORY
$ 799	$ 3,429	$ 5,469	$ -	$ 3,267	$ 1,074	$ 858	$ 213
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
799	3,429	5,469	-	3,267	1,074	858	213
-	-	(1)	-	-	-	(7)	-
799	3,429	5,468	-	3,267	1,074	851	213
126	380	596	-	759	896	1,194	38
31	32	46	-	1,106	22	71	6
155	2,903	4,099	-	72	13	24	176
-	-	7	-	-	-	3	-
-	-	-	-	-	-	-	-
410	20	181	-	18	7	34	-
9	75	63	-	1,040	30	62	-
1	25	23	-	9	23	30	1
-	8	2	-	10	121	14	-
34	16	303	-	81	7	25	-
-	-	-	-	-	-	-	-
1	7	11	-	26	122	60	-
767	3,466	5,331	-	3,121	1,241	1,517	221
-	-	(1)	-	-	-	(7)	-
767	3,466	5,330	-	3,121	1,241	1,510	221
32	(37)	138	-	146	(167)	(659)	(8)
-	-	-	-	-	-	-	-
51	-	(13)	-	-	(1)	(1)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	754	-
51	-	(13)	-	-	(1)	753	-
83	(37)	125	-	146	(168)	94	(8)
-	-	-	-	59	140	-	-
-	-	-	-	-	-	-	-
83	(37)	125	-	205	(28)	94	(8)
1,495	1,114	937	(251)	373	172	168	112
-	4	-	251	-	-	-	-
1,495	1,118	937	-	373	172	168	112
-	-	-	-	-	-	-	-
$ 1,578	$ 1,081	$ 1,062	$ -	$ 578	$ 144	$ 262	$ 104

Continued on next page.

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Continued
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	MAIL & MESSENGER	INVESTMENT DIVISION	DHES INDIRECT COST POOL	AIRCRAFT OPERATION	JUSTICE LEGAL
OPERATING REVENUES:					
Charges for Services	$ 1,309	$ 1,246	$ -	$ 213	$ 567
Investment Earnings	-	-	-	-	-
Other Operating Revenues	-	-	-	-	-
Total Operating Revenues	1,309	1,246	-	213	567
Intrafund Revenues	-	-	-	-	-
Net Operating Revenues	1,309	1,246	-	213	567
OPERATING EXPENSES:					
Personal Services	186	894	802	31	416
Contractual Services	3	128	127	-	59
Supplies/Materials	2	13	26	42	10
Expendable Equipment	-	-	-	-	-
Benefits	-	-	-	-	-
Depreciation	7	24	17	-	8
Utilities/Rent	13	54	27	1	8
Communications	1,085	28	18	-	7
Travel	6	20	5	1	15
Repair/Maintenance	9	26	11	146	3
Interest Expense	-	-	-	-	-
Other Operating Expenses	-	106	6	-	1
Total Operating Expenses	1,311	1,293	1,039	221	527
Intrafund Expenses	-	-	-	-	-
Net Operating Expenses	1,311	1,293	1,039	221	527
Operating Income (Loss)	(2)	(47)	(1,039)	(8)	40
NONOPERATING REVENUES (EXPENSES):					
Interest Earnings	-	-	-	-	-
Gain (Loss) on Sale of Fixed Assets	(5)	-	-	-	-
Federal Assistance	-	-	-	-	-
Federal Indirect Cost Recoveries	-	-	920	-	-
Total Nonoperating Revenues (Expenses)	(5)	-	920	-	-
Income (Loss) before Operating Transfers	(7)	(47)	(119)	(8)	40
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Income (Loss)	(7)	(47)	(119)	(8)	40
RETAINED EARNINGS - July 1 - As Previously Reported	238	176	-	216	75
Prior Period Adjustments	5	-	-	-	-
RETAINED EARNINGS - JULY 1 - As Restated	243	176	-	216	75
Residual Equity Transfers	-	-	-	-	-
RETAINED EARNINGS - JUNE 30	$ 236	$ 129	$ (119)	$ 208	$ 115

OPI CENTRAL SERVICES	FWP OFFICE SUPPLY	PERSONNEL TRAINING	PSC AUDIT REIMBURSE-MENTS	ADMIN. LEGAL	LABOR CENTRAL SERVICES	TOTALS YEAR ENDED JUNE 30 1990	1989
$ -	$ 95	$ 172	$ 17	$ 52	$ -	$ 51,001	$ 51,907
-	-	-	-	-	-	635	579
-	-	-	-	-	-	15	617
-	95	172	17	52	-	51,651	53,103
-	-	-	-	-	(26)	(284)	(247)
-	95	172	17	52	(26)	51,367	52,856
456	59	83	-	57	1,632	16,194	16,608
66	-	35	-	1	207	4,922	4,716
26	23	13	-	-	178	10,919	10,397
-	1	1	-	-	-	13	90
-	-	-	-	-	-	1,627	2,686
2	7	7	-	-	36	7,961	7,248
158	1	6	-	1	180	2,678	2,490
53	1	12	-	1	31	6,390	6,236
1	-	9	17	-	35	393	413
18	13	1	-	-	57	3,292	3,293
-	-	2	-	-	-	829	730
12	-	1	-	1	64	774	663
792	105	170	17	61	2,420	55,992	55,570
-	-	-	-	-	(26)	(284)	(247)
792	105	170	17	61	2,394	55,708	55,323
(792)	(10)	2	-	(9)	(2,420)	(4,341)	(2,467)
-	-	-	-	-	-	-	63
-	(3)	-	-	-	-	(103)	217
484	-	-	-	-	-	484	-
-	-	-	-	-	2,412	4,086	3,189
484	(3)	-	-	-	2,412	4,467	3,469
(308)	(13)	2	-	(9)	(8)	126	1,002
360	-	-	-	-	-	1,092	1,529
-	-	-	-	-	-	(100)	(285)
52	(13)	2	-	(9)	(8)	1,118	2,246
-	27	70	5	(2)	8	51,859	54,550
(28)	6	6	-	-	(35)	(173)	(4,937)
(28)	33	76	5	(2)	(27)	51,686	49,613
-	(10)	-	-	-	-	(10)	-
$ 24	$ 10	$ 78	$ 5	$ (11)	$ (35)	$ 52,794	$ 51,859

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ADMIN. INSURANCE	CENTRAL DATA PROCESSING	FWP EQUIPMENT
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 248	$ 664	$ (167)	$ (155)	$ 211
Items Not Requiring Working Capital:					
Depreciation	3,269	1,417	13	1,994	490
Working Capital Provided by Operations	3,517	2,081	(154)	1,839	701
Decrease in Long-Term Investments	-	-	6,388	-	-
Disposal of Fixed Assets	288	251	-	237	68
Increase in Noncurrent Payables	-	2,720	615	151	-
Increase in Contributed Capital	279	-	-	-	330
Increase in Compensated Absences Payable	-	5	2	-	-
Total Sources of Working Capital	4,084	5,057	6,851	2,227	1,099
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	-	-	6,489	-	-
Acquisition of Fixed Assets	5,045	576	3	1,699	897
Increase in Noncurrent Receivables	-	-	-	-	-
Decrease in Noncurrent Payables	-	4,007	367	632	-
Decrease in Contributed Capital	-	-	-	-	-
Decrease in Compensated Absences Payable	29	-	-	5	1
Reduction of Fund Equity Due to Residual Equity Transfers	-	-	-	-	-
Total Uses of Working Capital	5,074	4,583	6,859	2,336	898
Net Increase (Decrease) in Working Capital	$ (990)	$ 474	$ (8)	$ (109)	$ 201
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ (722)	$ 494	$ 45	$ (183)	$ 173
Cash with Fiscal Agent	-	6	-	-	-
Receivables (Net)	(4)	(2)	21	(3)	(2)
Interfund Loans Receivable	-	-	-	-	-
Due From Other Governments	6	-	-	-	2
Due from Other Funds	3	23	-	(52)	22
Inventories	-	-	-	(9)	-
Equity in Pooled Cash/Investments	-	-	(73)	-	-
Other Assets	-	(3)	29	(6)	-
Accounts Payable	(91)	(30)	(50)	72	7
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	(182)	(14)	20	72	(1)
Deferred Revenue	-	-	-	-	-
Property Held in Trust	-	-	-	-	-
Net Increase (Decrease) in Working Capital	$ (990)	$ 474	$ (8)	$ (109)	$ 201

MOTOR POOL	ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS	LOCAL GOVERNMENT AUDITS	COMMERCE CENTRAL SERVICES	FWP WAREHOUSE INVENTORY
$ 83	$ (37)	$ 125	$ 205	$ (28)	$ 94	$ (8)
410	20	181	18	7	34	-
493	(17)	306	223	(21)	128	(8)
-	-	-	-	-	-	-
13	2	14	1	1	37	-
-	-	-	-	-	-	-
-	573	-	-	-	-	10
-	-	8	-	1	10	2
506	558	328	224	(19)	175	4
-	-	-	-	-	-	-
729	57	142	24	10	72	-
-	3	-	-	-	-	-
-	-	-	-	-	-	-
-	754	-	-	-	-	-
2	-	-	12	2	-	-
-	-	-	-	-	-	-
731	814	142	36	12	72	-
$ (225)	$ (256)	$ 186	$ 188	$ (31)	$ 103	$ 4
$ (376)	$ (75)	$ 154	$ (47)	$ 14	$ 133	$ (1)
-	-	-	-	-	-	-
-	18	-	-	(50)	-	-
-	-	-	-	-	-	-
5	-	-	-	-	-	-
13	23	22	69	3	(9)	29
-	(191)	(9)	-	-	-	11
-	-	-	-	-	-	-
-	2	91	111	1	1	-
70	(41)	(78)	4	8	(3)	(32)
62	-	-	-	-	-	-
1	13	6	53	(10)	22	(3)
-	-	-	-	3	(45)	-
-	(5)	-	(2)	-	4	-
$ (225)	$ (256)	$ 186	$ 188	$ (31)	$ 103	$ 4

Continued on next page.

STATE OF MONTANA
Combining Statement of Changes in Financial Position - Continued
Internal Service Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	MAIL & MESSENGER	INVESTMENT DIVISION	DHES INDIRECT COST POOL	AIRCRAFT OPERATION	JUSTICE LEGAL
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ (7)	$ (47)	$ (119)	$ (8)	$ 40
Items Not Requiring Working Capital:					
Depreciation	7	24	17	-	8
Working Capital Provided by Operations	-	(23)	(102)	(8)	48
Decrease in Long-Term Investments	-	-	-	-	-
Disposal of Fixed Assets	5	31	4	-	-
Increase in Noncurrent Payables	-	-	-	-	-
Increase in Contributed Capital	-	-	300	-	-
Increase in Compensated Absences Payable	-	9	86	-	8
Total Sources of Working Capital	5	17	288	(8)	56
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	-	-	-	-	-
Acquisition of Fixed Assets	34	22	120	-	38
Increase in Noncurrent Receivables	-	-	-	-	-
Decrease in Noncurrent Payables	-	-	-	-	-
Decrease in Contributed Capital	-	-	16	-	-
Decrease in Compensated Absences Payable	1	-	-	-	-
Reduction of Fund Equity Due to Residual Equity Transfers	-	-	-	-	-
Total Uses of Working Capital	35	22	136	-	38
Net Increase (Decrease) in Working Capital	$ (30)	$ (5)	$ 152	$ (8)	$ 18
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ (25)	$ (32)	$ 79	$ (21)	$ 33
Cash with Fiscal Agent	-	-	-	-	-
Receivables (Net)	(3)	-	-	-	-
Interfund Loans Receivable	-	8	-	-	-
Due From Other Governments	-	-	-	-	-
Due from Other Funds	3	4	114	4	(4)
Inventories	-	-	-	-	-
Equity in Pooled Cash/Investments	-	-	-	-	-
Other Assets	-	-	-	-	-
Accounts Payable	(8)	19	(5)	8	(6)
Interfund Loans Payable	-	-	-	-	-
Due to Other Funds	3	(4)	(36)	1	(5)
Deferred Revenue	-	-	-	-	-
Property Held in Trust	-	-	-	-	-
Net Increase (Decrease) in Working Capital	$ (30)	$ (5)	$ 152	$ (8)	$ 18

OPI CENTRAL SERVICES	FWP OFFICE SUPPLY	PERSONNEL TRAINING	PSC AUDIT REIMBURSE-MENTS	ADMIN. LEGAL	LABOR CENTRAL SERVICES	TOTALS YEAR ENDED JUNE 30 1990	1989
$ 52	$ (13)	$ 2	$ -	$ (9)	$ (8)	$ 1,118	$ 2,246
2	7	7	-	-	36	7,961	7,248
54	(6)	9	-	(9)	28	9,079	9,494
-	-	-	-	-	-	6,388	3,772
-	3	1	-	-	-	956	448
-	-	-	-	-	-	3,486	8,163
-	-	-	-	-	-	1,492	1,156
37	-	-	-	10	200	378	78
91	(3)	10	-	1	228	21,779	23,111
-	-	-	-	-	-	6,489	4,508
9	-	2	-	-	27	9,506	14,199
-	-	-	-	-	-	3	-
-	-	-	-	-	-	5,006	4,654
-	-	-	-	-	-	770	817
-	-	-	-	-	177	229	163
-	10	-	-	-	-	10	-
9	10	2	-	-	204	22,013	24,341
$ 82	$ (13)	$ 8	$ -	$ 1	$ 24	$ (234)	$ (1,230)
$ (22)	$ (3)	$ 2	$ (2)	$ 3	$ 226	$ (153)	$ 697
-	-	-	-	-	-	6	(70)
-	-	(2)	2	-	1	(24)	83
-	-	-	-	-	-	8	(185)
-	-	-	-	-	-	13	8
80	1	11	-	-	23	382	(1,980)
-	(11)	-	-	-	-	(209)	282
-	-	-	-	-	-	(73)	(1,535)
-	-	-	-	-	-	226	8
1	-	(1)	-	-	6	(150)	949
55	-	-	-	-	-	117	29
(32)	-	(1)	-	(2)	(44)	(143)	238
-	-	-	-	-	(188)	(230)	56
-	-	(1)	-	-	-	(4)	190
$ 82	$ (13)	$ 8	$ -	$ 1	$ 24	$ (234)	$ (1,230)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - INTERNAL SERVICE FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
OFFICE OF PUBLIC INSTRUCTION				
CENTRAL SERVICES	$ 820		$ 776	$ 44
TOTAL AGENCY	**$ 820**		**$ 776**	**$ 44**
DEPARTMENT OF JUSTICE				
AGENCY LEGAL SERVICES	549		537	12
CENTRAL SERVICES DIVISION	8		8	0
TOTAL AGENCY	**$ 557**		**$ 545**	**$ 12**
PUBLIC SERVICE REGULATION				
PUBLIC SERVICE REGULATION PROG	20		17	3
TOTAL AGENCY	**$ 20**		**$ 17**	**$ 3**
DEPT OF FISH, WILDLIFE & PARKS				
MANAGEMENT SERVICES DIVISION	1,857		1,727	130
FIELD SERVICES DIVISION	121		97	24
RECREATION & PARKS DIVISION	223		209	14
TOTAL AGENCY	**$ 2,201**		**$ 2,033**	**$ 168**
DEPT HEALTH & ENVIRON SCIENCES				
DIRECTOR'S OFFICE	276		228	48
CENTRAL SERVICES	847		721	126
TOTAL AGENCY	**$ 1,123**		**$ 949**	**$ 174**
DEPARTMENT OF HIGHWAYS				
STATE MOTOR POOL	1,042		1,017	25
EQUIPMENT PROGRAM	13,193		13,105	88
TOTAL AGENCY	**$ 14,235**		**$ 14,122**	**$ 113**

(CONTINUED ON NEXT PAGE.)

STATE OF MONTANA
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET AND ACTUAL (BUDGET BASIS) - INTERNAL SERVICE FUND TYPE
FOR FISCAL YEAR ENDING JUNE 30, 1990 (EXPRESSED IN THOUSANDS)
(CONTINUED)

AGENCY/PROGRAM/PROJECT	APPROPRIATED EXPENDITURES	APPROPRIATED TRANSFER OUT	ACTUAL	VARIANCE (UNFAVORABLE)
DEPARTMENT OF STATE LANDS				
CENTRAL MANAGEMENT PROGRAM	$ 240		$ 235	$ 5
TOTAL AGENCY	**$ 240**		**$ 235**	**$ 5**
DEPARTMENT OF ADMINISTRATION				
DIRECTOR'S OFFICE	62		51	11
ACCOUNTING PROGRAM	32		29	3
PROCUREMENT & PRINTING DIV.	9,446		8,722	724
INFORMATION SERVICES DIVISION	17,002		15,526	1,476
GENERAL SERVICES PROGRAM	3,303		3,131	172
MAIL & DISTRIBUTION BUREAU	1,342		1,306	36
STATE PERSONNEL DIVISION	183		162	21
TORT CLAIMS DIVISION	5,400		4,188	1,212
TORT CLAIMS DIVISION		2,181	1,900	281
TOTAL AGENCY	**$ 36,770**	**$ 2,181**	**$ 35,015**	**$ 3,936**
DEPARTMENT OF COMMERCE				
PUBLIC SAFETY DIVISION	64		62	2
POL BUREAU	763		705	58
LOCAL GOV'T SERVICES-AUDIT	1,090		979	111
LOCAL GOV'T SERVICES-SYSTEMS	241		165	76
LOCAL GOVT ASSISTANCE ADMIN	102		101	1
INVESTMENTS DIVISION	1,237		1,205	32
DIRECTOR/MANAGEMENT SERVICES	819		725	94
TOTAL AGENCY	**$ 4,316**		**$ 3,942**	**$ 374**
LABOR & INDUSTRY				
COMMISSIONER/CENTRALIZED SERV	2,587		2,294	293
EMPLOYMENT RELATIONS	4		0	4
LEGAL SERVICES DIVISION	129		121	8
TOTAL AGENCY	**$ 2,720**		**$ 2,415**	**$ 305**
AGENCY PROGRAM TOTALS	**$ 63,002**	**$ 2,181**	**$ 60,049**	**$ 5,134**

TRUST AND AGENCY FUNDS

To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Pension Trust Funds; and (4) Agency Funds.

STATE OF MONTANA
Combining Balance Sheet
All Trust and Agency Fund Types
June 30, 1990
(Expressed in Thousands)

	EXPENDABLE TRUSTS	NON-EXPENDABLE TRUSTS	PENSION TRUSTS	AGENCY	TOTALS - JUNE 30 (AS RESTATED) 1990	1989
ASSETS:						
Cash/Cash Equivalents	$ 83,259	$ 26,024	$ 4,651	$ 20,676	$ 134,610	$ 116,319
Receivables (Net)	4,992	19,892	42,692	3,786	71,362	73,250
Interfund Loans Receivable	-	-	185	200	385	5
Due from Other Governments	-	-	21	30	51	1,003
Due from Other Funds	24	562	10,565	12,916	24,067	21,974
Equity in Pooled Cash/Investments	11,806	72,533	274,510	377,545	736,394	684,590
Long-Term Loans Receivable	2,273	36,218	-	-	38,491	31,027
Investments	900	663,453	1,343,194	65,435	2,072,982	1,890,474
Deferred (Gains) Losses	-	-	15,761	-	15,761	17,712
Land	-	49,399	60	-	49,459	49,459
Buildings/Improvements	-	-	342	-	342	342
Equipment	-	-	189	-	189	159
Accumulated Depreciation	-	-	(254)	-	(254)	(229)
Intangible Assets	-	-	9	-	9	11
Other Assets	201	-	-	29,031	29,232	27,221
TOTAL ASSETS	$ 103,455	$ 868,081	$1,691,925	$ 509,619	$ 3,173,080	$ 2,913,317
LIABILITIES/FUND BALANCES:						
Liabilities:						
Accounts Payable	$ 442	$ 6,551	$ 661	$ 2,218	$ 9,872	$ 12,817
Interfund Loans Payable	-	223	185	-	408	152
Due to Other Governments	-	-	1	157,832	157,833	148,220
Due to Other Funds	5,103	38,659	1,859	6,322	51,943	51,634
Deferred Revenue	2,535	377	1	-	2,913	2,833
Property Held in Trust	296	284	251	340,514	341,345	310,013
Compensated Absences Payable	-	-	76	-	76	74
Other Liabilities	-	-	-	2,733	2,733	1,897
Total Liabilities	8,376	46,094	3,034	509,619	567,123	527,640
Fund Balances:						
Reserved for:						
Encumbrances	-	-	-	-	-	2
Long-Term Loans	2,273	-	-	-	2,273	1,987
Trust Principal	-	821,987	-	-	821,987	771,498
Retirement Systems	-	-	1,688,891	-	1,688,891	1,528,923
Unreserved	92,806	-	-	-	92,806	83,267
Total Fund Balances	95,079	821,987	1,688,891	-	2,605,957	2,385,677
TOTAL LIABILITIES/FUND BALANCES	$ 103,455	$ 868,081	$1,691,925	$ 509,619	$ 3,173,080	$ 2,913,317

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EXPENDABLE TRUST FUNDS

Expendable Trust Funds are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings may be expended. A brief description of each Expendable Trust Fund follows.

Labor & Industry Compensation Insurance - This fund accounts for the Subsequent Injury and Uninsured Employers accounts for the payment of benefits to injured workers. Administrative costs of operating the fund are paid from a Special Revenue Fund.

Unemployment Insurance - This fund accounts for employer contributions deposited with the Secretary of the Treasury of the United States to the credit of Montana's unemployment trust fund. Unemployment benefits are paid from this fund to eligible recipients. Administrative costs are paid from a Special Revenue Fund.

Hail Insurance - Any producer engaged in the growing of crops subject to destruction by hail may participate in the hail insurance program. This fund accounts for premium assessments paid by producers for crop acreage insured, investment and interest earnings, administrative costs and benefits paid by the Department of Agriculture.

BN Geraldine Settlement - Deposits and investment earnings from a lawsuit settlement and investment earnings from a Nonexpendable Trust Fund of the same name are to be used for restructuring the Geraldine-Lewistown Line.

Rural Development - This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture under a federal use agreement for the purpose of aiding low income rural families.

Historical Society General Trust - Deposits of the principal amounts of various stocks donated by numerous contributors in trust to the Society and the Charles Bair Memorial are accounted for in this fund. The principal can be expended for acquisitions approved by the Board of Trustees.

Woodville Highway Replacement - This fund accounts for money paid to the Montana Department of Highways by the Anaconda Company to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

Public Warehouse/Commodity Dealer Liquidation Trust - This fund accounts for money from the sales of insolvent grain elevator company assets. Once assets have been sold and surety bond monies or other equivalents have been collected, the funds are distributed to the proper claimants.

School for Deaf & Blind - The School accounts for private donations in this fund.

STATE OF MONTANA
Combining Balance Sheet
Expendable Trust Funds
June 30, 1990
(Expressed in Thousands)

	LABOR & INDUSTRY COMPENSATION INSURANCE	UNEMPLOYMENT INSURANCE	HAIL INSURANCE	BN GERALDINE SETTLEMENT
ASSETS:				
Cash/Cash Equivalents	$ 111	$ 83,018	$ 79	$ -
Receivables (Net)	1,159	1,493	2,340	-
Due from Other Funds	18	-	3	3
Equity in Pooled Cash/Investments	2,990	-	5,397	2,413
Long-Term Loans/Notes Receivable	-	237	-	-
Investments	900	-	-	-
Other Assets	-	-	-	201
TOTAL ASSETS	$ 5,178	$ 84,748	$ 7,819	$ 2,617
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 22	$ 417	$ 2	$ -
Due to Other Funds	1	5,089	10	-
Deferred Revenue	-	195	2,340	-
Property Held in Trust	-	-	-	-
Total Liabilities	23	5,701	2,352	-
Fund Balances:				
Reserved for Encumbrances	-	-	-	-
Reserved for Long-Term Loans	-	237	-	-
Unreserved	5,155	78,810	5,467	2,617
Total Fund Balances	5,155	79,047	5,467	2,617
TOTAL LIABILITIES/FUND BALANCES	$ 5,178	$ 84,748	$ 7,819	$ 2,617

RURAL DEVELOPMENT	HISTORICAL SOCIETY GENERAL TRUST	WOODVILLE HIGHWAY REPLACEMENT	COMMODITY LIQUIDATION TRUST	TOTALS - JUNE 30 (AS RESTATED) 1990	1989
$ 17	$ 13	$ 2	$ 19	$ 83,259	$ 69,150
-	-	-	-	4,992	5,324
-	-	-	-	24	2
197	326	201	282	11,806	9,372
2,036	-	-	-	2,273	1,987
-	-	-	-	900	1,291
-	-	-	-	201	1,065
$ 2,250	$ 339	$ 203	$ 301	$ 103,455	$ 88,191
$ 1	$ -	$ -	$ -	$ 442	$ 274
2	-	-	1	5,103	35
-	-	-	-	2,535	2,607
-	-	-	296	296	19
3	-	-	297	8,376	2,935
-	-	-	-	-	2
2,036	-	-	-	2,273	1,987
211	339	203	4	92,806	83,267
2,247	339	203	4	95,079	85,256
$ 2,250	$ 339	$ 203	$ 301	$ 103,455	$ 88,191

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Expendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	LABOR & INDUSTRY COMPENSATION INSURANCE	UNEMPLOYMENT INSURANCE	HAIL INSURANCE	BN GERALDINE SETTLEMENT
REVENUES:				
Charges for Services/Fines/Forfeits	$ 729	$ -	$ 2,769	$ -
Investment Earnings	392	6,440	397	199
Contributions/Premiums	-	42,850	-	-
Grants/Contracts/Donations	-	-	-	-
Federal	-	2,795	-	-
Other Revenues	7	-	-	-
Total Revenues	1,128	52,085	3,166	199
Intrafund Revenues	-	-	-	-
Net Revenues	1,128	52,085	3,166	199
EXPENDITURES:				
Current:				
Transportation	-	-	-	442
Education/Cultural	-	-	-	-
Economic Develoment/Assistance	735	39,026	1,734	-
Capital Outlay	-	-	2	-
Total Expenditures	735	39,026	1,736	442
Intrafund Expenditures	-	-	-	-
Net Expenditures	735	39,026	1,736	442
Excess of Revenues Over (Under) Expenditures	393	13,059	1,430	(243)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	-	-	-	20
Operating Transfers Out	(307)	-	-	-
Total Other Financing Sources (Uses)	(307)	-	-	20
Excess of Revenues/Other Sources Over (Under) Expenditures/ Other Uses	86	13,059	1,430	(223)
FUND BALANCES - JULY 1 - As Previously Reported With Restatement	5,069	70,576	4,037	2,840
Prior Period Adjustments	-	(4,588)	-	-
FUND BALANCES - JULY 1 - As Restated	5,069	65,988	4,037	2,840
FUND BALANCES - JUNE 30	$ 5,155	$ 79,047	$ 5,467	$ 2,617

RURAL DEVELOPMENT	HISTORICAL SOCIETY GENERAL TRUST	WOODVILLE HIGHWAY REPLACEMENT	COMMODITY LIQUIDATION TRUST	SCHOOL FOR DEAF & BLIND	TOTALS (AS RESTATED) YEAR ENDED JUNE 30 1990	1989
$ 1	$ -	$ -	$ 6	$ -	$ 3,505	$ 2,190
162	32	18	3	-	7,643	1,123
-	-	-	-	-	42,850	52,647
3	5	-	-	42	50	41
-	-	-	-	-	2,795	4,800
-	-	-	-	-	7	15
166	37	18	9	42	56,850	60,816
-	-	-	-	(42)	(42)	-
166	37	18	9	-	56,808	60,816
-	-	49	-	-	491	185
-	4	-	-	42	46	50
102	-	-	11	-	41,608	40,750
2	1	-	-	-	5	6
104	5	49	11	42	42,150	40,991
-	-	-	-	(42)	(42)	-
104	5	49	11	-	42,108	40,991
62	32	(31)	(2)	-	14,700	19,825
-	-	-	-	-	20	20
-	(6)	-	-	-	(313)	(327)
-	(6)	-	-	-	(293)	(307)
62	26	(31)	(2)	-	14,407	19,518
2,185	309	234	6	-	85,256	65,738
-	4	-	-	-	(4,584)	-
2,185	313	234	6	-	80,672	65,738
$ 2,247	$ 339	$ 203	$ 4	$ -	$ 95,079	$ 85,256

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NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds are used to account for assets held by the State in a trustee capacity, where the trust principal may not be expended. A brief description of each Nonexpendable Trust Fund follows.

Permanent Coal Tax Trust - This fund, created by Article IX, Section 5 of the Montana Constitution and administered by the Department of Revenue, receives 50% of all coal tax collections. Principal may be expended only upon affirmative vote by three-fourths of each house of the Legislature.

Land Grants - The Department of State Lands accounts for lands granted to the State for support of public schools and State institutions in this fund.

Resource Indemnity - Taxes paid by persons engaging in or carrying on the business of mining, extracting or producing minerals are deposited in this fund. Only the net earnings of the trust may be appropriated until the principal reaches $100 million. Interest earnings are expended from a Special Revenue Fund. This fund is administered by the Department of Revenue.

Education Trust - The fund principal is held in trust for the purpose of supporting public schools, vocational-technical centers and the university system in the State. This fund is administered by the Department of Commerce.

Parks, Cultural and Aesthetic Projects - Two and one-half percent of coal taxes are credited to this fund by the Department of Revenue. Interest income from the trust is recorded in a Special Revenue Fund and is used for cultural and aesthetic projects through the Montana Arts Council and for the acquisition and maintenance of parks by the Department of Fish, Wildlife and Parks.

BN Geraldine Settlement - Money is held in trust to provide funds for the restructuring of the Geraldine-Lewistown Line. The investment earnings are transferred to an Expendable Trust Fund of the same name.

Real Property Trust - Money received by the Department of Fish, Wildlife and Parks from the sale of real property, from the exploration and development of oil, gas and mineral deposits and from the lease of department real property is deposited in this fund. Interest is recorded in a Special Revenue Fund and used for developing and maintaining real property of the department.

Noxious Weed Management - The Department of Agriculture accounts in this fund for revenues and interest earned on fees charged for the control of noxious weeds.

Historical Society - Three funds (Jim Bradley Memorial, Thomas Teakle and Merritt Wheeler) account for memorials, bequests and various other contributions to the Montana Historical Society. Investment income is either expended from a Special Revenue Fund, Expendable Trust Fund or added to the principal.

STATE OF MONTANA
Combining Balance Sheet
Nonexpendable Trust Funds
June 30, 1990
(Expressed in Thousands)

	PERMANENT COAL TAX	LAND GRANTS	RESOURCE INDEMNITY	PARKS, CULTURAL, AESTHETIC PROJECTS
ASSETS:				
Cash/Cash Equivalents	$ 7,572	$ 18,173	$ -	$ 103
Receivables (Net)	10,262	6,858	2,311	363
Due from Other Funds	263	234	32	21
Equity in Pooled Cash/Investments	45,619	18,363	4,361	2,989
Long-Term Loans/Notes Receivable	35,997	221	-	-
Investments	353,932	221,237	69,079	14,971
Land	-	49,399	-	-
TOTAL ASSETS	$ 453,645	$ 314,485	$ 75,783	$ 18,447
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	$ -	$ 6,551	$ -	$ -
Interfund Loans Payable	-	-	223	-
Due to Other Funds	12,908	22,675	2,371	512
Deferred Revenue	-	-	377	-
Property Held in Trust	284	-	-	-
Total Liabilities	13,192	29,226	2,971	512
Fund Balances:				
Reserved for Trust Principal	440,453	285,259	72,812	17,935
Total Fund Balances	440,453	285,259	72,812	17,935
TOTAL LIABILITIES/FUND BALANCES	$ 453,645	$ 314,485	$ 75,783	$ 18,447

BN GERALDINE SETTLEMENT	REAL PROPERTY	NOXIOUS WEED MANAGEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT-WHEELER MEMORIAL	TOTALS - JUNE 30 1990	1989
$ 2	$ 147	$ 8	$ 12	$ 7	$ -	$ 26,024	$ 16,957
-	60	38	-	-	-	19,892	19,752
-	11	1	-	-	-	562	407
238	406	442	54	42	19	72,533	86,495
-	-	-	-	-	-	36,218	29,040
-	3,034	1,200	-	-	-	663,453	614,335
-	-	-	-	-	-	49,399	49,399
$ 240	$ 3,658	$ 1,689	$ 66	$ 49	$ 19	$ 868,081	$ 816,385
$ -	$ -	$ -	$ -	$ -	$ -	$ 6,551	$ 7,924
-	-	-	-	-	-	223	-
2	191	-	-	-	-	38,659	36,454
-	-	-	-	-	-	377	226
-	-	-	-	-	-	284	283
2	191	-	-	-	-	46,094	44,387
238	3,467	1,689	66	49	19	821,987	771,498
238	3,467	1,689	66	49	19	821,987	771,498
$ 240	$ 3,658	$ 1,689	$ 66	$ 49	$ 19	$ 868,081	$ 816,385

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	PERMANENT COAL TAX	LAND GRANTS	RESOURCE INDEMNITY	EDUCATION	PARKS, CULTURAL, AESTHETIC PROJECTS
OPERATING REVENUES:					
Charges for Services	$ 71	$ 6,748	$ -	$ -	$ -
Investment Earnings	45,890	25,957	7,474	1,057	1,879
Taxes	-	-	6,037	5,715	1,289
Rentals/Leases/Royalties	-	20,384	-	-	-
Grants/Contracts/Donations	-	925	-	-	-
Total Operating Revenues	45,961	54,014	13,511	6,772	3,168
NONOPERATING REVENUES (EXPENSES):					
Federal Assistance	-	17	-	-	-
Other Nonoperating Revenues (Expenses)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	17	-	-	-
Income (Loss) before Operating Transfers	45,961	54,031	13,511	6,772	3,168
Operating Transfers In	34,164	6,385	-	-	-
Operating Transfers Out	(44,718)	(45,166)	(7,316)	(935)	(1,842)
Net Income (Loss)	35,407	15,250	6,195	5,837	1,326
FUND BALANCES - JULY 1 - As Previously Reported	405,046	270,009	66,617	8,651	16,609
Prior Period Adjustments	-	-	-	-	-
FUND BALANCES - JULY 1 - As Restated	405,046	270,009	66,617	8,651	16,609
Residual Equity Transfers	-	-	-	(14,488)	-
FUND BALANCES - JUNE 30	$ 440,453	$ 285,259	$ 72,812	$ -	$ 17,935

BN GERALDINE SETTLEMENT	REAL PROPERTY	NOXIOUS WEED MANAGEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT-WHEELER MEMORIAL	TOTALS YEAR ENDED JUNE 30 1990	1989
$ -	$ 575	$ -	$ -	$ -	$ -	$ 7,394	$ 5,242
20	278	180	6	5	1	82,747	76,679
-	-	188	-	-	-	13,229	4,947
-	59	-	-	-	-	20,443	20,024
-	-	-	-	-	1	926	1,301
20	912	368	6	5	2	124,739	108,193
-	-	-	-	-	-	17	17
-	-	-	(5)	-	-	(5)	(1)
-	-	-	(5)	-	-	12	16
20	912	368	1	5	2	124,751	108,209
-	-	-	-	-	-	40,549	28,875
(20)	(323)	-	-	(3)	-	(100,323)	(87,180)
-	589	368	1	2	2	64,977	49,904
238	2,878	1,321	65	47	17	771,498	747,150
-	-	-	-	-	-	-	8
238	2,878	1,321	65	47	17	771,498	747,158
-	-	-	-	-	-	(14,488)	(25,564)
$ 238	$ 3,467	$ 1,689	$ 66	$ 49	$ 19	$ 821,987	$ 771,498

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	PERMANENT COAL TAX	LAND GRANTS	RESOURCE INDEMNITY	EDUCATION	PARKS, CULTURAL, AESTHETIC PROJECTS
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 35,407	$ 15,250	$ 6,195	$ 5,837	$ 1,326
Working Capital Provided by Operations	35,407	15,250	6,195	5,837	1,326
Decrease in Long-Term Investments	59,257	39,152	8,963	9,952	4,434
Decrease in Noncurrent Receivables	12,794	85	-	-	-
Total Sources of Working Capital	107,458	54,487	15,158	15,789	5,760
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	98,223	50,182	15,058	2,661	3,508
Increase in Noncurrent Receivables	20,021	35	-	-	-
Reduction of Fund Equity Due to Residual Equity Transfers	-	-	-	14,488	-
Total Uses of Working Capital	118,244	50,217	15,058	17,149	3,508
Net Increase (Decrease) in Working Capital	$ (10,786)	$ 4,270	$ 100	$ (1,360)	$ 2,252
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ 4,806	$ 4,982	$ (285)	$ (530)	$ (13)
Receivables (Net)	469	(446)	316	(181)	(34)
Due from Other Funds	(29)	130	32	-	21
Equity in Pooled Cash/Investments	(15,630)	425	592	(1,394)	2,261
Accounts Payable	950	422	-	-	-
Interfund Loans Payable	-	-	(223)	-	-
Due to Other Funds	(1,352)	(1,243)	(182)	745	17
Deferred Revenue	-	-	(150)	-	-
Property Held in Trust	-	-	-	-	-
Net Increase (Decrease) in Working Capital	$ (10,786)	$ 4,270	$ 100	$ (1,360)	$ 2,252

REAL PROPERTY	NOXIOUS WEED MANAGEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT-WHEELER MEMORIAL	TOTALS YEAR ENDED JUNE 30 1990	1989
$ 589	$ 368	$ 1	$ 2	$ 2	$ 64,977	$ 49,904
589	368	1	2	2	64,977	49,904
73,619	1,413	-	-	-	196,790	200,463
-	-	-	-	-	12,879	13,292
74,208	1,781	1	2	2	274,646	263,659
74,461	1,813	-	-	-	245,906	247,591
-	-	-	-	-	20,056	13,744
-	-	-	-	-	14,488	25,564
74,461	1,813	-	-	-	280,450	286,899
$ (253)	$ (32)	$ 1	$ 2	$ 2	$ (5,804)	$ (23,240)
$ 103	$ 4	$ 1	$ 2	$ (1)	$ 9,069	$ 1,973
17	1	-	-	-	142	2,164
(1)	1	-	-	-	154	(1,374)
(183)	(38)	-	-	3	(13,964)	(27,560)
-	-	-	-	-	1,372	(2,265)
-	-	-	-	-	(223)	-
(189)	-	-	-	-	(2,204)	3,901
-	-	-	-	-	(150)	204
-	-	-	-	-	-	(283)
$ (253)	$ (32)	$ 1	$ 2	$ 2	$ (5,804)	$ (23,240)

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PENSION TRUST FUNDS

The Pension Trust Funds are used to account for public employee retirement systems. A brief description of each Pension Trust Fund follows.

Teachers' Retirement System - This fund accounts for resources used to provide retirement, disability, death and lump sum payments to members of Montana's public teaching profession. This fund also accounts for the administrative costs of the Teacher's Retirement Division which are paid from interest earnings of the pension trust fund. The system is funded from employer and employee contributions and interest earnings.

Public Employees' Retirement System (PERS) - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to qualified public employees. The system is funded from employer and employee contributions. This fund also accounts for the administrative costs, paid from investment earnings, of the Public Employees' Retirement Division, Department of Administration, which administers the activities of PERS and the following seven retirement systems:

Municipal Police Officers' Retirement System - This fund accounts for resources used to pay retirement, disability and death benefits to qualifying police officers employed by first and second class cities and other cities electing coverage. The system is funded from member, State and city contributions.

Unified Firefighters' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to firefighters employed by first and second class cities and other cities electing coverage. In addition to employer and employee contributions, the State contributes a portion of insurance premium taxes collected.

Sheriff's Retirement System - This fund accounts for member and county contributions to pay retirement, disability and death benefits to qualifying sheriffs.

Highway Patrolmen's Retirement System - This fund accounts for member and State contributions to pay retirement, disability and death benefits to qualifying highway patrolmen.

Judges' Retirement System - This fund accounts for member and State contributions used to pay retirement, disability and death benefits to Montana's judges. The system is also funded from a percentage of court fees collected.

Game Wardens' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to game wardens employed by the State. In addition to employer and employee contributions, this fund receives fines and forfeitures generated from fish and wildlife violations.

Volunteer Firefighters' of Unincorporated Areas Retirement System - This fund accounts for resources used to pay medical benefits and retirement, disability and death benefits to qualifying volunteer firefighters. Benefit payments are based upon the growth of the fund in the preceding year.

STATE OF MONTANA
Combining Balance Sheet
Pension Trust Funds
June 30, 1990
(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
ASSETS:					
Cash/Cash Equivalents	$ 1,986	$ 2,148	$ 24	$ 101	$ 60
Receivables (Net)	19,230	19,773	870	826	814
Interfund Loans Receivable	185	-	-	-	-
Due from Other Governments	-	21	-	-	-
Due from Other Funds	3,099	689	2,765	3,227	5
Equity in Pooled Cash/Investments	131,632	120,486	3,746	3,633	5,416
Investments	677,440	541,508	27,131	26,708	26,394
Deferred (Gains) Losses	9,728	5,019	216	(99)	237
Land	25	35	-	-	-
Buildings/Improvements	183	159	-	-	-
Equipment	117	72	-	-	-
Accumulated Depreciation	(144)	(110)	-	-	-
Intangible Assets	4	5	-	-	-
TOTAL ASSETS	$ 843,485	$ 689,805	$ 34,752	$ 34,396	$ 32,926
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 415	$ 244	$ -	$ -	$ 2
Interfund Loans Payable	-	-	10	175	-
Due to Other Governments	-	1	-	-	-
Due to Other Funds	1,726	60	18	16	15
Deferred Revenue	1	-	-	-	-
Property Held in Trust	94	157	-	-	-
Compensated Absences Payable	53	23	-	-	-
Total Liabilities	2,289	485	28	191	17
Fund Balances:					
Reserved for Retirement Systems	841,196	689,320	34,724	34,205	32,909
Total Fund Balances	841,196	689,320	34,724	34,205	32,909
TOTAL LIABILITIES/FUND BALANCES	$ 843,485	$ 689,805	$ 34,752	$ 34,396	$ 32,926

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS - JUNE 30 1990	1989
$ 51	$ 19	$ 252	$ 10	$ 4,651	$ 4,296
529	285	220	145	42,692	37,724
-	-	-	-	185	5
-	-	-	-	21	-
116	65	15	584	10,565	9,858
3,832	2,694	2,197	874	274,510	247,144
20,767	9,737	8,001	5,508	1,343,194	1,218,009
346	146	111	57	15,761	17,712
-	-	-	-	60	60
-	-	-	-	342	342
-	-	-	-	189	159
-	-	-	-	(254)	(229)
-	-	-	-	9	11
$ 25,641	$ 12,946	$ 10,796	$ 7,178	$ 1,691,925	$ 1,535,091
$ -	$ -	$ -	$ -	$ 661	$ 4,174
-	-	-	-	185	5
-	-	-	-	1	5
8	2	4	10	1,859	1,621
-	-	-	-	1	-
-	-	-	-	251	289
-	-	-	-	76	74
8	2	4	10	3,034	6,168
25,633	12,944	10,792	7,168	1,688,891	1,528,923
25,633	12,944	10,792	7,168	1,688,891	1,528,923
$ 25,641	$ 12,946	$ 10,796	$ 7,178	$ 1,691,925	$ 1,535,091

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Pension Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
OPERATING REVENUES:					
Investment Earnings	$ 77,870	$ 63,673	$ 2,994	$ 2,947	$ 2,999
Contributions/Premiums	63,035	61,361	4,912	5,131	1,846
Other Operating Revenues	-	37	-	-	-
Total Operating Revenues	140,905	125,071	7,906	8,078	4,845
OPERATING EXPENSES:					
Personal Services	432	260	-	-	-
Contractual Services	238	142	-	-	-
Supplies/Materials	9	16	-	-	-
Expendable Equipment	-	1	-	-	-
Benefits	50,531	51,429	4,635	4,212	565
Refunds	10,604	8,558	255	25	493
Depreciation	15	11	-	-	-
Utilities/Rent	16	42	-	-	-
Communications	46	33	-	-	-
Travel	9	9	-	-	-
Repair/Maintenance	4	4	-	-	-
Other Operating Expenses	-	5	16	15	12
Total Operating Expenses	61,904	60,510	4,906	4,252	1,070
Operating Income (Loss)	79,001	64,561	3,000	3,826	3,775
NONOPERATING REVENUES (EXPENSES):					
Gain (Loss) Sale of Fixed Assets	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	-	-	-	-
Net Income (Loss)	79,001	64,561	3,000	3,826	3,775
FUND BALANCES - JULY 1 - As Previously Reported	762,195	624,759	31,724	30,379	29,134
Prior Period Adjustments	-	-	-	-	-
FUND BALANCES - JULY 1 - As Restated	762,195	624,759	31,724	30,379	29,134
FUND BALANCES - JUNE 30	$ 841,196	$ 689,320	$ 34,724	$ 34,205	$ 32,909

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS YEAR ENDED JUNE 30 1990	1989
$ 2,310	$ 1,141	$ 919	$ 597	$ 155,450	$ 143,477
2,149	842	664	583	140,523	129,510
-	-	-	-	37	37
4,459	1,983	1,583	1,180	296,010	273,024
-	-	-	-	692	663
-	-	-	-	380	293
-	-	-	-	25	17
-	-	-	-	1	-
1,698	567	685	365	114,687	105,609
2	42	1	-	19,980	17,836
-	-	-	-	26	25
-	-	-	-	58	56
-	-	-	-	79	70
-	-	-	-	18	14
-	-	-	-	8	18
7	1	3	29	88	91
1,707	610	689	394	136,042	124,692
2,752	1,373	894	786	159,968	148,332
-	-	-	-	-	(8)
-	-	-	-	-	(8)
2,752	1,373	894	786	159,968	148,324
22,881	11,571	9,898	6,382	1,528,923	1,380,995
-	-	-	-	-	(396)
22,881	11,571	9,898	6,382	1,528,923	1,380,599
$ 25,633	$12,944	$10,792	$ 7,168	$ 1,688,891	$ 1,528,923

STATE OF MONTANA
Combining Statement of Changes in Financial Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
SOURCES OF WORKING CAPITAL:					
Operations:					
Net Income (Loss)	$ 79,001	$ 64,561	$ 3,000	$ 3,826	$ 3,775
Items Not Requiring Working Capital:					
Depreciation	15	11	-	-	-
Amortization of Net (Gain) Loss on Securities Exchanged	1,225	680	13	(8)	14
Working Capital Provided by Operations	80,241	65,252	3,013	3,818	3,789
Decrease in Long-Term Investments	96,775	72,092	3,053	4,666	4,715
Disposal of Fixed Assets	2	2	-	-	-
Increase in Compensated Absences Payable	2	1	-	-	-
Total Sources of Working Capital	177,020	137,347	6,066	8,484	8,504
USES OF WORKING CAPITAL:					
Increase in Long-Term Investments	159,893	124,141	5,077	7,719	6,540
Acquisition of Fixed Assets	15	16	-	-	-
Decrease in Compensated Absences Payable	-	-	-	-	-
Total Uses of Working Capital	159,908	124,157	5,077	7,719	6,540
Net Increase (Decrease) in Working Capital	$ 17,112	$ 13,190	$ 989	$ 765	$ 1,964
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL:					
Cash/Cash Equivalents	$ 1,373	$ (1,396)	$ 22	$ (2)	$ 39
Receivables (Net)	4,126	2,651	(262)	(360)	(362)
Interfund Loans Receivable	180	-	-	-	-
Due From Other Governments	-	21	-	-	-
Due From Other Funds	425	149	(17)	66	5
Equity in Pooled Cash/Investments	10,884	10,477	955	870	1,907
Accounts Payable	188	1,407	303	380	378
Interfund Loans Payable	-	-	(10)	(175)	-
Due to Other Governments	-	4	-	-	-
Due to Other Funds	(198)	(27)	(2)	(14)	(3)
Deferred Revenue	(1)	-	-	-	-
Property Held in Trust	135	(96)	-	-	-
Net Increase (Decrease) in Working Capital	$ 17,112	$ 13,190	$ 989	$ 765	$ 1,964

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS YEAR ENDED JUNE 30 1990	1989
$ 2,752	$ 1,373	$ 894	$ 786	$ 159,968	$ 148,324
-	-	-	-	26	25
31	10	17	5	1,987	2,639
2,783	1,383	911	791	161,981	150,988
1,791	1,396	1,022	1,074	186,584	202,826
-	-	-	-	4	35
-	-	-	-	3	9
4,574	2,779	1,933	1,865	348,572	353,858
3,680	2,211	1,409	1,134	311,804	300,111
-	-	-	-	31	26
-	-	-	-	-	4
3,680	2,211	1,409	1,134	311,835	300,141
$ 894	$ 568	$ 524	$ 731	$ 36,737	$ 53,717
$ 47	$ 14	$ 249	$ 10	$ 356	$ (7,623)
(268)	(165)	(193)	(194)	4,973	3,999
-	-	-	-	180	5
-	-	-	-	21	-
67	11	(18)	18	706	1,926
754	517	294	708	27,366	60,068
285	190	190	190	3,511	(2,892)
5	-	-	-	(180)	(5)
-	-	-	-	4	1
4	1	2	(1)	(238)	(1,516)
-	-	-	-	(1)	-
-	-	-	-	39	(246)
$ 894	$ 568	$ 524	$ 731	$ 36,737	$ 53,717

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AGENCY FUNDS

The Agency Funds are used to account for assets held by the State as an agent for individuals, private organizations, other governments and other funds. A brief description of each Agency Fund follows.

Investment Pool - This fund accounts for idle cash invested on a pooled basis. Investment earnings on State funds are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

Employees' Deferred Compensation - State employees may defer a part of their compensation for the purpose of investment. This fund accounts for employee withholdings transferred to investing entities for allocation to employee designated investment plans.

Land Grant Interest - This fund accounts for interest and income earnings on nonexpendable trusts administered by the Department of State Lands pending distribution to units of the university system and State institutions.

Performance Deposits - This fund accounts for deposits held by the State pending compliance with performance agreements.

Central Payroll - This fund accounts for the accumulation of State employees' payroll and withholdings by the State Auditor's Office pending remittance to employees and other appropriate third parties.

Industrial Insurance Liquidation - This fund, administered by the Department of Labor and Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

Custodial Accounts - This fund accounts for monies belonging to State institution residents, students of the School for the Deaf and Blind, participants in the foster children and protective services programs and balances held by the Commissioner of Higher Education's Office for remittance, on behalf of eligible employees of the Montana University System, to the TIAA-CREF retirement fund.

Unissued Warrants - This fund reports the amount of warrants authorized by agency claims but not written or mailed by fiscal year-end.

Child Support Collections - This fund accounts for payments from parents under the Child Support Enforcement Program, Department of Revenue.

Unclaimed Property - This fund accounts for property held by State agencies pending claim by the person entitled thereto. For example, it includes proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated State warrants and unclaimed wages.

Uncleared Collections - This fund accounts for resources held pending distribution to other funds and local governments. Amounts due to other State funds have been recorded as a receivable and revenue in those funds.

A & E Advances - This fund accounts for monies advanced by other agencies to the Department of Administration's Architecture and Engineering (A & E) Division for minor capital projects. The capital outlay expenditures are recorded in the funds which advanced the money.

Intergovernmental - This fund accounts for resources that flow through State agencies to federal and local governments.

Bad Debts - This fund accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The State Auditor's Office continues to attempt to collect amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

STATE OF MONTANA
Combining Balance Sheet
Agency Funds
June 30, 1990
(Expressed in Thousands)

	INVESTMENT POOL	EMPLOYEES DEFERRED COMP.	LAND GRANT INTEREST	PERFORM. DEPOSITS	CENTRAL PAYROLL	INDUSTRIAL INSURANCE LIQUIDATION	CUSTODIAL ACCOUNTS
ASSETS:							
Cash/Cash Equivalents	$ 517	$ 205	$ 1	$ 7,146	$ 5,504	$ -	$ 703
Receivables (Net)	3,712	-	-	3	-	-	-
Interfund Loans Receivable	-	-	-	200	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Due from Other Funds	32	88	-	-	12,490	-	59
Equity in Pooled Cash/Investments	376,278	-	-	-	-	-	196
Investments	-	65,435	-	-	-	-	-
Other Assets	-	-	-	3,181	-	25,850	-
TOTAL ASSETS	$ 380,539	$ 65,728	$ 1	$ 10,530	$ 17,994	$ 25,850	$ 958
LIABILITIES:							
Accounts Payable	$ 1,988	$ -	$ -	$ 83	$ -	$ -	$ 48
Interfund Loans Payable	-	-	-	-	-	-	-
Due to Other Governments	157,385	-	-	-	-	-	-
Due to Other Funds	756	-	1	16	2,765	-	71
Property Held in Trust	220,410	65,728	-	7,698	15,229	25,850	839
Other Liabilities	-	-	-	2,733	-	-	-
TOTAL LIABILITIES	$ 380,539	$ 65,728	$ 1	$ 10,530	$ 17,994	$ 25,850	$ 958

UNISSUED WARRANTS	CHILD SUPPORT COLLECTIONS	UNCLAIMED PROPERTY	A & E ADVANCES	INTER-GOVERNMENTAL	UNCLEARED COLLECTIONS	BAD DEBTS	TOTALS - JUNE 30 1990	1989
$ 4,805	$ 176	$ 770	$ 120	$ 143	$ 452	$ 134	$ 20,676	$ 25,916
-	-	69	-	2	-	-	3,786	10,450
-	-	-	-	-	-	-	200	-
-	-	-	-	30	-	-	30	1,003
-	54	5	142	2	7	37	12,916	11,707
-	648	-	-	423	-	-	377,545	341,579
-	-	-	-	-	-	-	65,435	56,839
-	-	-	-	-	-	-	29,031	26,156
$ 4,805	$ 878	$ 844	$ 262	$ 600	$ 459	$ 171	$ 509,619	$ 473,650
$ 2	$ 62	$ -	$ 22	$ 11	$ 1	$ 1	$ 2,218	$ 445
-	-	-	-	-	-	-	-	147
-	-	-	-	447	-	-	157,832	148,215
1,647	674	-	2	26	246	118	6,322	13,524
3,156	142	844	238	116	212	52	340,514	309,422
-	-	-	-	-	-	-	2,733	1,897
$ 4,805	$ 878	$ 844	$ 262	$ 600	$ 459	$ 171	$ 509,619	$ 473,650

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

FUND	BALANCE July 1, 1989	Additions	Deductions	BALANCE June 30, 1990
INVESTMENT POOL:				
ASSETS				
Cash/Cash Equivalents	$ 11	$ 23,212,326	$ 23,211,820	$ 517
Receivables (Net)	10,368	29,537	36,193	3,712
Due from Other Funds	-	59	27	32
Equity in Pooled Cash/Investments	340,388	1,475,274	1,439,384	376,278
Total Assets	$ 350,767	$ 24,717,196	$ 24,687,424	$ 380,539
LIABILITIES				
Accounts Payable	$ -	$ 2,367	$ 379	$ 1,988
Due to Other Governments	146,931	292,146	281,692	157,385
Due to Other Funds	-	783	27	756
Property Held in Trust	203,836	2,015,004	1,998,430	220,410
Total Liabilities	$ 350,767	$ 2,310,300	$ 2,280,528	$ 380,539
EMPLOYEES DEFERRED COMP.:				
ASSETS				
Cash/Cash Equivalents	$ -	$ 6,372	$ 6,167	$ 205
Due from Other Funds	316	88	316	88
Investments	56,839	9,111	515	65,435
Other Assets	74	6,380	6,454	-
Total Assets	$ 57,229	$ 21,951	$ 13,452	$ 65,728
LIABILITIES				
Property Held in Trust	$ 57,229	$ 9,107	$ 608	$ 65,728
LAND GRANT INTEREST:				
ASSETS				
Cash/Cash Equivalents	$ 26	$ 28	$ 53	$ 1
LIABILITIES				
Due to Other Funds	$ 26	$ 1	$ 26	$ 1
PERFORM. DEPOSITS:				
ASSETS				
Cash/Cash Equivalents	$ 6,148	$ 22,304	$ 21,306	$ 7,146
Receivables (Net)	6	8	11	3
Interfund Loans Receivable	-	775	575	200
Other Assets	2,476	1,245	540	3,181
Total Assets	$ 8,630	$ 24,332	$ 22,432	$ 10,530
LIABILITIES				
Accounts Payable	$ 56	$ 577	$ 550	$ 83
Due to Other Funds	7	16	7	16
Property Held in Trust	6,670	11,489	10,461	7,698
Other Liabilities	1,897	11,211	10,375	2,733
Total Liabilities	$ 8,630	$ 23,293	$ 21,393	$ 10,530
CENTRAL PAYROLL:				
ASSETS				
Cash/Cash Equivalents	$ 3,600	$ 301,465	$ 299,561	$ 5,504
Due from Other Funds	11,041	12,558	11,109	12,490
Total Assets	$ 14,641	$ 314,023	$ 310,670	$ 17,994
LIABILITIES				
Due to Other Funds	$ 2,257	$ 2,833	$ 2,325	$ 2,765
Property Held in Trust	12,384	300,605	297,760	15,229
Total Liabilities	$ 14,641	$ 303,438	$ 300,085	$ 17,994
INDUSTRIAL INSURANCE LIQUIDATION:				
ASSETS				
Other Assets	$ 23,606	$ 27,025	$ 24,781	$ 25,850
LIABILITIES				
Property Held in Trust	$ 23,606	$ 27,025	$ 24,781	$ 25,850

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities - Continued
Agency Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

FUND	BALANCE July 1, 1989	Additions	Deductions	BALANCE June 30, 1990
CUSTODIAL ACCOUNTS:				
ASSETS				
Cash/Cash Equivalents	$ 986	$ 1,960	$ 2,243	$ 703
Receivables (Net)	2	-	2	-
Due from Other Funds	124	65	130	59
Equity in Pooled Cash/Investments	196	-	-	196
Total Assets	$ 1,308	$ 2,025	$ 2,375	$ 958
LIABILITIES				
Accounts Payable	$ 125	$ 48	$ 125	$ 48
Due to Other Funds	386	49	364	71
Property Held in Trust	797	1,347	1,305	839
Total Liabilities	$ 1,308	$ 1,444	$ 1,794	$ 958
UNISSUED WARRANTS:				
ASSETS				
Cash/Cash Equivalents	$ 5,112	$ 3,014,443	$ 3,014,750	$ 4,805
LIABILITIES				
Accounts Payable	$ -	$ 2	$ -	$ 2
Due to Other Funds	1,456	1,647	1,456	1,647
Property Held in Trust	3,656	3,034,057	3,034,557	3,156
Total Liabilities	$ 5,112	$ 3,035,706	$ 3,036,013	$ 4,805
CHILD SUPPORT COLLECTIONS:				
ASSETS				
Cash/Cash Equivalents	$ 139	$ 15,158	$ 15,121	$ 176
Receivables (Net)	1	25	26	-
Due from Other Funds	10	87	43	54
Equity in Pooled Cash/Investments	608	3,361	3,321	648
Total Assets	$ 758	$ 18,631	$ 18,511	$ 878
LIABILITIES				
Accounts Payable	$ 17	$ 62	$ 17	$ 62
Due to Other Funds	700	674	700	674
Property Held in Trust	41	524	423	142
Total Liabilities	$ 758	$ 1,260	$ 1,140	$ 878
UNCLAIMED PROPERTY:				
ASSETS				
Cash/Cash Equivalents	$ 768	$ 1,973	$ 1,971	$ 770
Receivables (Net)	71	69	71	69
Due from Other Funds	-	7	2	5
Total Assets	$ 839	$ 2,049	$ 2,044	$ 844
LIABILITIES				
Due to Other Funds	101	$ 1	$ 102	$ -
Property Held in Trust	738	1,050	944	844
Total Liabilities	$ 839	$ 1,051	$ 1,046	$ 844
A & E ADVANCES:				
ASSETS				
Cash/Cash Equivalents	$ 102	$ 2,153	$ 2,135	$ 120
Due from Other Funds	201	142	201	142
Total Assets	$ 303	$ 2,295	$ 2,336	$ 262
LIABILITIES				
Accounts Payable	$ 236	$ 22	$ 236	$ 22
Due to Other Funds	-	2	-	2
Property Held in Trust	67	2,105	1,934	238
Total Liabilities	$ 303	$ 2,129	$ 2,170	$ 262

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities - Continued
Agency Funds
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

FUND	BALANCE July 1, 1989	Additions	Deductions	BALANCE June 30, 1990
INTERGOVERNMENTAL:				
ASSETS				
Cash/Cash Equivalents	$ 215	$ 47,146	$ 47,218	$ 143
Receivables (Net)	2	8	8	2
Due from Other Governments	1,003	342	1,315	30
Due from Other Funds	8	11	17	2
Equity in Pooled Cash/Investments	387	179	143	423
Total Assets	$ 1,615	$ 47,686	$ 48,701	$ 600
LIABILITIES				
Accounts Payable	$ 5	$ 83	$ 77	$ 11
Interfund Loans Payable	147	3,108	3,255	-
Due to Other Governments	1,284	957	1,794	447
Due to Other Funds	17	36	27	26
Property Held in Trust	162	1,809	1,855	116
Total Liabilities	$ 1,615	$ 5,993	$ 7,008	$ 600
UNCLEARED COLLECTIONS:				
ASSETS				
Cash/Cash Equivalents	$ 8,777	$ 63,115	$ 71,440	$ 452
Due from Other Funds	7	1,153	1,153	7
Total Assets	$ 8,784	$ 64,268	$ 72,593	$ 459
LIABILITIES				
Accounts Payable	$ 5	$ 1	$ 5	$ 1
Due to Other Funds	8,573	1,389	9,716	246
Property Held in Trust	206	381	375	212
Total Liabilities	$ 8,784	$ 1,771	$ 10,096	$ 459
BAD DEBTS:				
ASSETS				
Cash/Cash Equivalents	$ 32	$ 25,914	$ 25,812	$ 134
Due from Other Funds	-	37	-	37
Total Assets	$ 32	$ 25,951	$ 25,812	$ 171
LIABILITIES				
Accounts Payable	$ 1	$ 4	$ 4	$ 1
Due to Other Funds	1	118	1	118
Property Held in Trust	30	5,026	5,004	52
Total Liabilities	$ 32	$ 5,148	$ 5,009	$ 171
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash/Cash Equivalents	$ 25,916	$ 26,714,357	$ 26,719,597	$ 20,676
Receivables (Net)	10,450	29,647	36,311	3,786
Interfund Loan Receivable	-	775	575	200
Due from Other Governments	1,003	342	1,315	30
Due from Other Funds	11,707	14,207	12,998	12,916
Equity in Pooled Cash/Investments	341,579	1,478,814	1,442,848	377,545
Investments	56,839	9,111	515	65,435
Other Assets	26,156	34,650	31,775	29,031
TOTAL ASSETS	$ 473,650	$ 28,281,903	$ 28,245,934	$ 509,619
LIABILITIES				
Accounts Payable	$ 445	$ 3,166	$ 1,393	$ 2,218
Interfund Loans Payable	147	3,108	3,255	-
Due to Other Governments	148,215	293,103	283,486	157,832
Due to Other Funds	13,524	7,549	14,751	6,322
Property Held in Trust	309,422	5,409,529	5,378,437	340,514
Other Liabilities	1,897	11,211	10,375	2,733
TOTAL LIABILITIES	$ 473,650	$ 5,727,666	$ 5,691,697	$ 509,619

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is maintained to account for fixed assets acquired or constructed for use in operations which are accounted for in governmental funds. These include all fixed assets except those of the Enterprise, Internal Service, Nonexpendable Trust, Pension Trust and Higher Education Funds.

STATE OF MONTANA
Schedule of General Fixed Assets by Source
June 30, 1990
(Expressed in Thousands)

General Fixed Assets:	
Land	$ 52,227
Buildings/Other Improvememts	217,881
Equipment	79,622
Other Fixed Assets	43,305
Construction in Progress	5,499
Total General Fixed Assets	$ 398,534
Investments in General Fixed Assets From:	
General Fund Fixed Assets	$ 204,804
State and Other Special Revenue Fund Fixed Assets	95,683
Federal Special Revenue Fund Fixed Assets	33,809
Capital Projects Fund Fixed Assets	8,881
Expendable Trust Fund Fixed Assets	109
Donated Fixed Assets	55,248
Total Investments in General Fixed Assets	$ 398,534

STATE OF MONTANA
Schedule of General Fixed Assets by Function and Activity
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

Function and Activity	Land	Buildings and Improvements	Equipment	Other Fixed Assets	Total
General Government					
Legislative	$ -	$ -	$ 1,394	$ -	$ 1,394
Executive	2,694	36,657	4,842	79	44,272
Judicial	-	-	706	-	706
Total General Government	2,694	36,657	6,942	79	46,372
Public Safety/Corrections					
Law Enforcement	205	11,653	9,347	-	21,205
Corrections	2,136	33,257	5,548	7	40,948
Professional/Business Regulation	-	-	1,036	15	1,051
Safety	-	-	676	53	729
Total Public Safety/Corrections	2,341	44,910	16,607	75	63,933
Transportation	4,840	29,345	13,873	-	48,058
Health/Social Services					
Health/Environment	-	300	3,884	-	4,184
Social Services/Welfare	28	5,041	4,533	-	9,602
Mental Health	88	25,613	5,612	-	31,313
Veterans Affairs	-	2,616	545	-	3,161
Total Health/Social Services	116	33,570	14,574	-	48,260
Educational/Cultural					
Educational	118	8,218	4,622	1,254	14,212
Cultural	186	379	314	41,894	42,773
Total Educational/Cultural	304	8,597	4,936	43,148	56,985
Resource Development/Recreation					
Resource Development	3,115	43,601	8,970	-	55,686
Recreation	38,499	17,637	5,628	2	61,766
Agricultural	-	-	932	-	932
Total Resource Development/Recreation	41,614	61,238	15,530	2	118,384
Economic Development/Assistance	318	3,564	7,160	1	11,043
Construction in Progress	-	-	-	-	5,499
Total General Fixed Assets	$ 52,227	$ 217,881	$ 79,622	$ 43,305	$ 398,534

STATE OF MONTANA
Schedule of Changes in General Fixed Assets by Function and Activity
For the Fiscal Year Ended June 30, 1990
(Expressed in Thousands)

Function and Activity	General Fixed Assets 7/1/89	Additions	Deletions	General Fixed Assets 6/30/90
General Government				
Legislative	$ 1,193	$ 209	$ 8	$ 1,394
Executive	41,392	4,632	1,752	44,272
Judicial	706	-	-	706
Total General Government	43,291	4,841	1,760	46,372
Public Safety/Corrections				
Law Enforcement	19,890	2,524	1,209	21,205
Corrections	40,570	462	84	40,948
Professional/Business Regulation	1,225	54	228	1,051
Safety	1,044	500	815	729
Total Public Safety/Corrections	62,729	3,540	2,336	63,933
Transportation	44,992	5,079	2,013	48,058
Health/Social Services				
Health/Environment	3,978	534	328	4,184
Social Services/Welfare	8,656	1,154	208	9,602
Mental Health	30,728	1,107	522	31,313
Veterans Affairs	3,153	11	3	3,161
Total Health/Social Services	46,515	2,806	1,061	48,260
Educational/Cultural				
Educational	13,672	660	120	14,212
Cultural	27,091	15,801	119	42,773
Total Educational/Cultural	40,763	16,461	239	56,985
Resource Development/Recreation				
Resource Development	54,571	1,596	481	55,686
Recreation	52,241	9,689	164	61,766
Agricultural	807	130	5	932
Total Resource Development/Recreation	107,619	11,415	650	118,384
Economic Development/Assistance	14,781	870	4,608	11,043
Construction in Progress	8,503	3,161	6,165	5,499
Total General Fixed Assets	$ 369,193	$ 48,173	$ 18,852	$ 398,554

HIGHER EDUCATION FUNDS

The Higher Education Funds are used to account for all transactions relating to the State's public institutions of higher education, including six university units and five vocational-technical centers. A brief description of each Higher Education Fund follows.

Current Funds

Unrestricted

General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations which are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds

Student Loans - This fund accounts for monies which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education system.

Endowment - This fund accounts for monies where the principal is available for investment. Investment earnings are to be transferred to appropriate operating funds pursuant to prevailing administrative requirements.

Agency - This fund accounts for monies where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - This fund accounts for unexpended resources derived from various sources to finance the acquisition of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

STATE OF MONTANA
Combining Balance Sheet
All Higher Education Funds
June 30, 1990
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
ASSETS:				
Cash/Cash Equivalents	$ 10,129	$ 5,563	$ 3,264	$ 1,763
Cash with Fiscal Agent	-	-	-	-
Receivables (Net)	1,149	838	589	3,668
Interfund Loans Receivable	3,575	-	-	-
Due from Other Governments	2	7	-	967
Due from Other Funds	1,805	1,273	524	606
Inventories	79	1,721	2,410	-
Equity in Pooled Cash/Investments	417	801	4,515	1,943
Long-Term Notes/Loans Receivable	-	10	-	-
Investments	-	-	-	-
Land	-	-	-	-
Buildings/Improvements	-	-	-	-
Equipment	-	-	-	-
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	786	250	26	54
TOTAL ASSETS	$ 17,942	$ 10,463	$ 11,328	$ 9,001
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 10,016	$ 1,777	$ 1,952	$ 2,020
Interfund Loans Payable	-	-	-	3,575
Due to Other Governments	2	-	-	24
Due to Other Funds	3,953	1,270	496	1,099
Deferred Revenue	1,844	230	412	460
Installment Purchase/Lease Payable	-	-	-	-
Bonds/Notes Payable	-	-	-	-
Property Held in Trust	23	8	252	2
Compensated Absences Payable	12,936	1,501	967	-
Other Liabilities	-	-	-	8
Total Liabilities	28,774	4,786	4,079	7,188
Fund Balances:				
Net Investment in Plant	-	-	-	-
Reserved For:				
Encumbrances	1,054	135	8	26
Debt Service	-	-	-	-
Student Loans/Endowments	-	-	-	-
Unreserved	(11,886)	5,542	7,241	1,787
Total Fund Balances	(10,832)	5,677	7,249	1,813
TOTAL LIABILITIES/FUND BALANCES	$ 17,942	$ 10,463	$ 11,328	$ 9,001

FIDUCIARY FUNDS			PLANT FUNDS				TOTALS - JUNE 30	
STUDENT LOANS	ENDOWMENTS	AGENCY	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	1990	1989
$ 173	$ 17	$ 899	$ 1,325	$ 2,539	$ 5,989	$ -	$ 31,661	$ 24,827
64	-	-	844	1	380	-	1,289	1,936
17,467	-	176	160	55	1,206	-	25,308	23,723
-	-	-	-	-	-	-	3,575	5,417
2	-	-	-	-	-	-	978	2,300
12	1	3,366	217	317	157	-	8,278	9,187
-	-	-	-	-	-	-	4,210	4,224
1,540	1,842	519	1,050	2,265	1,439	-	16,331	15,773
877	-	-	-	-	-	-	887	20
-	195	-	-	995	8,297	-	9,487	10,883
-	-	-	-	-	-	10,480	10,480	9,780
-	-	-	-	-	-	271,291	271,291	263,457
-	-	-	-	-	-	85,584	85,584	90,345
-	-	-	-	-	-	50,712	50,712	51,091
-	-	-	2,291	489	-	34	2,814	3,939
-	-	-	-	-	-	1,119	1,119	1,010
-	-	-	87	-	2,176	-	3,379	4,380
$ 20,135	$ 2,055	$ 4,960	$ 5,974	$ 6,661	$ 19,644	$ 419,220	$ 527,383	$ 522,292
$ 2	$ -	$ 746	$ 31	$ 32	$ 1,282	$ -	$ 17,858	$ 16,967
-	-	-	-	-	-	-	3,575	5,417
-	-	98	-	-	-	-	124	290
54	14	1,169	83	175	342	-	8,655	8,910
-	-	-	45	18	57	-	3,066	2,608
-	-	-	-	-	-	710	710	950
-	-	-	1,904	-	-	79,046	80,950	83,642
-	-	2,946	-	-	-	-	3,231	1,848
-	-	1	-	-	-	-	15,405	13,976
-	-	-	-	-	-	-	8	1
56	14	4,960	2,063	225	1,681	79,756	133,582	134,609
-	-	-	-	-	-	339,464	339,464	334,898
-	-	-	7	98	-	-	1,328	1,276
-	-	-	-	-	17,963	-	17,963	17,463
20,079	2,041	-	-	-	-	-	22,120	20,975
-	-	-	3,904	6,338	-	-	12,926	13,071
20,079	2,041	-	3,911	6,436	17,963	339,464	393,801	387,683
$ 20,135	$ 2,055	$ 4,960	$ 5,974	$ 6,661	$ 19,644	$ 419,220	$ 527,383	$ 522,292

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Montana

STATISTICAL AND ECONOMIC DATA

Financial presentations included in this section provide users with an historical perspective through detailed data on economic and social characteristics, financial trends and the fiscal capacity of the State.

A morning of fishing is just one of the many outdoor activities Montana offers visitors to its 80 state parks and recreational areas.

Photograph Courtesy of Montana Promotion Division

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STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES
Last Eight Fiscal Years (1)
(Expressed in Thousands)

	1983	1984	1985	1986	1987	1988	1989	1990
Licenses/Permits (3)	$ 53,400	$ 51,156	$ 63,744	$ 77,537	$ 80,444	$ 62,574	$ 64,075	$ 55,229
Taxes (2) (3)	401,895	474,850	519,175	599,112	578,509	715,724	725,748	776,368
Charges for Services/Fines/Forfeits	10,296	27,899	18,635	35,125	48,340	52,990	54,467	56,929
Investment Earnings	86,051	105,624	118,036	68,879	24,920	31,149	34,018	37,263
Reimbursements	19,083	11,826	15,681	-	-	-	-	-
Sale of Documents/Mdse./Property	5,953	2,298	16,245	15,220	5,749	3,382	2,920	5,548
Rentals/Leases/Royalties	1,139	1,350	1,389	888	796	383	449	363
Contributions/Premiums	42	271	341	280	451	410	663	3,199
Grants/Contracts/Donations	7,238	1,924	2,034	3,942	6,254	5,936	4,649	8,473
Federal	281,502	336,201	390,240	400,247	413,923	427,381	445,402	451,107
Federal Indirect Cost Recoveries	-	-	-	3,032	3,296	1,747	1,880	1,790
Other Revenues	1,707	2,902	2,372	6,967	6,193	5,052	5,147	2,078
Totals	$868,306	$1,016,301	$1,147,892	$1,211,229	$1,168,875	$1,306,728	$1,339,418	$1,398,347

NOTES: (1) Comparable revenues by source are not available for fiscal years prior to 1983.
(2) Prior to 1986, the 45 mill levy supporting the School Foundation program was not included.
(3) 1988 - A change in reporting the State's insurance premium tax resulted in an increase in Taxes with a corresponding decrease in Licenses/Permits.

STATE OF MONTANA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
Last Eight Fiscal Years (1)
(Expressed in Thousands)

	1983	1984	1985	1986	1987	1988	1989	1990
General Government	$ 73,748	$ 50,420	$ 51,268	$ 56,461	$ 51,054	$ 46,308	$ 52,065	$ 54,402
Public Safety/Corrections	46,576	50,646	56,191	57,382	58,140	66,366	72,616	80,804
Transportation	161,891	213,698	264,285	269,806	242,470	233,092	237,827	259,438
Health/Social Services	248,355	270,033	291,851	304,708	352,299	358,860	391,857	405,008
Education/Cultural (2)	203,919	213,977	222,631	318,640	313,616	328,669	337,251	335,865
Resource Development/Recreation	43,588	45,698	51,675	52,385	48,468	57,630	77,171	55,100
Economic Development/Assistance	34,367	76,198	84,866	87,887	87,737	71,197	76,057	76,363
Debt Service:								
Principal Retirement	3,734	61,311	7,586	55,491	116,393	9,176	9,841	10,668
Interest/Fiscal Charges	7,244	12,944	16,829	21,957	22,859	21,751	21,922	21,186
Capital Outlay	25,701	30,159	39,096	41,118	30,815	30,669	28,130	33,576
Totals	$849,123	$1,025,084	$1,086,278	$1,265,835	$1,323,851	$1,223,718	$1,304,737	$1,332,410

NOTES: (1) Comparable expenditures by function are not available for fiscal years prior to 1983.
(2) Prior to 1986, the 45 mill levy supporting the School Foundation program was not included.

STATE OF MONTANA
PROPERTY TAX LEVIES AND COLLECTIONS (1)
Last Ten Fiscal Years
(Expressed in Thousands)

FISCAL YEAR	TOTAL TAX LEVY(a)	TOTAL TAX COLLECTIONS(b)	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY
1981	$ 13,587	$ 13,060	96.1 %
1982	13,714	13,901	101.4
1983	15,084	14,213	94.2
1984	14,987	15,018	100.2
1985	16,025	17,014	106.2
1986	16,272	16,879	103.7
1987	15,656	15,665	100.0
1988	13,771	14,561	105.7
1989	11,641	13,423	115.3
1990	11,705	13,475	115.1

NOTE: (1) Property taxes are levied in one fiscal year and collected in subsequent fiscal years (i.e., the fiscal year column relates to the column "Total Tax Collections" only).

SOURCES: (a) Montana Department of Revenue Reports to the Legislature
(b) Montana Statewide Budgeting and Accounting System

STATE OF MONTANA
TAXABLE AND MARKET (ASSESSED) VALUE OF PROPERTY (1)
Last Ten Fiscal Years
(Expressed in Thousands)

	Real Property		Personal Property		Total		
Fiscal Year	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Ratio of Total Taxable to Total Market (Assessed) Value
1981	$ 1,514,913	$ 10,169,188	$ 505,718	$ 5,702,783	$ 2,020,631	$ 15,871,971	12.7 %
1982	1,820,293	11,179,906	384,199	4,772,574	2,204,492	15,952,480	13.8
1983	1,881,320	11,901,426	352,065	3,895,305	2,233,385	15,796,731	14.1
1984	1,947,241	12,598,756	383,642	4,133,338	2,330,883	16,732,094	13.9
1985	2,016,373	13,094,912	353,760	3,855,595	2,370,133	16,950,507	14.0
1986	1,981,731	24,060,549	324,557	3,630,367	2,306,288	27,690,916	8.3
1987	1,677,107	23,505,493	323,638	3,880,354	2,000,745	27,385,847	7.3
1988	1,642,100	22,509,982	300,850	3,697,063	1,942,950	26,207,045	7.4
1989	1,598,881	23,120,074	308,523	3,799,252	1,907,404	26,919,326	7.1
1990	1,274,023	22,082,879	272,948	3,988,239	1,546,971	26,071,118	5.9

NOTE: (1) - Taxable property in Montana must be assessed at 100% of its market value except mining property and agricultural lands. Mining property is assessed based on net and gross proceeds from mineral production. The assessment on agricultural land is based on productive capacity.

- Taxable value is that against which the mill levy is applied. These values are arrived at by the appropriate ratios found in Montana's Classification Act to the assessed values (e.g., the taxable value of residential property is 3.86% of its assessed value).

- The increase in Fiscal Year 1986 was primarily due to a reappraisal from 1978 values to 1982 values.

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX RATES-ALL OVERLAPPING GOVERNMENTS
(Per $100 OF TAXABLE VALUE)
Last Ten Fiscal Years

Fiscal Year	State of Montana Special Revenue Funds	Schools	Counties	Cities	Miscellaneous	Total
1980	$ .74	$ 13.29	$ 4.67	$ 2.86	$ 1.12	$ 22.68
1981	.68	13.35	4.79	2.83	1.22	22.87
1982	.68	12.76	4.78	1.80	2.04	22.06
1983	.67	12.90	4.96	2.71	1.37	22.61
1984	.69	14.12	4.86	2.78	1.32	23.77
1985	.69	13.98	5.18	2.95	1.33	24.13
1986	.68	14.88	5.42	3.18	1.47	25.63
1987	.69	15.86	5.94	3.65	1.46	27.60
1988	.60	15.39	5.62	3.75	1.75	27.11
1989	.61	16.59	6.45	3.72	2.01	29.38

SOURCE: Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX MILL LEVY FOR STATE PURPOSES
Last Ten Years

This portion of the property tax levy was developed to provide a non-discriminatory method of financing public education in Montana. The State has statutory authority to levy up to six mills for the support of the State's higher education system. The General Fund is responsible for making up any deficiencies in the equalization system. In addition, the Legislature is directed by law to levy at each legislative session a tax of up to two mills on all taxable property in the State to provide for any deficiencies in the General Fund.

Levy Year	Higher Education System	Vo-Tech Centers	Primary & Secondary Schools	Total Mill Levy
1981	5.65	-	40.00	45.65
1982	6.00	-	40.00	46.00
1983	5.86	-	40.00	45.86
1984	6.00	-	45.00	51.00
1985	6.00	-	45.00	51.00
1986	6.00	-	45.00	51.00
1987	6.00	1.50	45.00	52.50
1988	6.00	1.50	45.00	52.50
1989	6.00	1.50	45.00	52.50
1990	6.00	1.50	95.00	102.50

Each mill represents one dollar of tax levied on each thousand dollars worth of taxable property. The amount of property taxes needed for the year (net levy) is divided by the percentage determined collectible. This gross levy is then divided by the assessed valuation to arrive at the mill levy. The increase in the mill levy for 1990 was due to the 10 mill increase for primary and secondary schools and the state equalization aid levy of 40 mills established by the 1989 Legislature.

SOURCE: Montana Department of Revenue - Research and Information Division

STATE OF MONTANA
RATIO OF DIRECT STATE DEBT TO
ASSESSED VALUE AND DIRECT
STATE DEBT PER CAPITA
Last Ten Fiscal Years

	(Expressed in Thousands)			Direct State Debt Per	
Fiscal Year	Population(a)	Assessed Value(1)(b)	Direct State Debt(2)(c)	Assessed Value (%)	Capita
1981	796	$ 15,871,972	$ 27,345	.17	34.35
1982	805	15,952,480	62,362	.39	77.47
1983	816	15,796,731	57,940	.37	71.00
1984	824	16,732,094	107,541	.64	130.51
1985	825	16,950,507	100,835	.59	122.22
1986	819	27,690,916	106,814	.39	130.42
1987	809	27,385,847	99,402	.36	122.87
1988	805	26,207,045	91,542	.35	113.72
1989	806	26,919,326	83,390	.31	103.46
1990	N/A	26,071,118	78,110	.30	96.91 *

N/A - Data not available.

* Calculated using 1989 data.

NOTES: (1) The 1986 increase was primarily due to a reappraisal from 1978 values to 1982 values. Beginning in 1988 the assessed value does not include exempt property.
(2) Includes only General Obligation Bonds.

SOURCES: (a) Montana Department of Commerce, Census and Economic Information Center
(b) Montana Department of Revenue Reports to the Legislature
(c) 1990 Summary of State Bonded Debt

STATE OF MONTANA
RATIO OF ANNUAL DEBT SERVICE TO
TOTAL GENERAL EXPENDITURES
Last Ten Fiscal Years
($ Expressed in Thousands)

Fiscal Year	Total Debt Service	Total General Expenditures	Ratio (%)
1981	$ 6,323	$ 730,401	0.87 %
1982	12,576	813,767	1.55
1983	10,978	849,123	1.29
1984	74,255	1,025,084	7.24
1985	24,415	1,086,278	2.25
1986	77,448	1,265,835	6.12
1987	139,252	1,323,851	10.52
1988	30,927	1,223,718	2.53
1989	31,763	1,313,650	2.42
1990	31,854	1,332,410	2.39

SOURCE: Montana Financial Reports 1981-1990

STATE OF MONTANA
REVENUE BOND COVERAGE
HIGHER EDUCATION
Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service (2)	Debt Service Requirements	
				Total	Coverage (1)
1980	$ 20,238	$ 13,542	$ 7,358	$ 3,263	2.25
1981	21,564	14,770	7,482	3,448	2.17
1982	25,627	17,748	8,563	3,382	2.53
1983	26,034	18,991	7,767	8,434	0.92
1984	24,996	18,091	6,905	8,192	0.84
1985	43,918	29,482	14,436	7,389	1.95
1986	44,595	27,454	17,141	13,171	1.30
1987	34,803	25,635	9,168	6,300	1.46
1988	35,329	24,518	10,811	6,264	1.73
1989	37,611	27,900	9,711	7,060	1.38

NOTES: (1) Information to calculate the coverage for Montana College of Mineral Science and Technology was not available until 1985 since no yearly audit was required for their revenue bonds exclusive of the college as a whole.

(2) During 1980 through 1984 net revenues were defined by the bond resolution for the University of Montana's Building Fees Resolution. No gross revenue or operating expenses figures were available for this resolution; therefore, the difference between gross and operating revenues does not equal the net revenue available for debt service each year reported above. This difference is equal to the amount of net revenues defined by the Building Fees Resolution. Total debt service requirements and coverage are not affected.

SOURCE: Annual audit reports for each entity.

STATE OF MONTANA
REVENUE BOND COVERAGE
MONTANA BOARD OF HOUSING
Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service	Debt Service Requirements	
				Total	Coverage
1980	$ 15,970	$ 779	$ 15,191	$ 11,229	1.35
1981	20,952	1,229	19,723	17,665	1.12
1982	21,884	1,335	20,549	20,162	1.02
1983	29,453	2,208	27,245	23,660	1.15
1984	41,952	2,061	39,891	33,087	1.21
1985	52,667	2,609	50,058	43,055	1.16
1986	62,155	2,748	59,407	54,288	1.09
1987	58,576	2,851	55,725	52,580	1.06
1988	58,408	2,488	55,920	48,345	1.16
1989	56,834	1,644	55,190	49,777	1.11

SOURCE: Montana Statewide Budgeting and Accounting System.

STATE OF MONTANA
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS (1)
Last Ten Fiscal Years
(Expressed in thousands, except for number of permits)

	Construction				
	Residential(a)		Commercial(b)		
Calendar Year	Number of permits issued	Valuation*	Number of permits issued	Cost of construction	Bank Deposits(c)
1980	2,374	$ 71,361	N/A	N/A	$ 5,459,614
1981	1,954	68,085	324	$ 32,383	5,961,142
1982	2,052	70,729	279	26,497	6,306,571
1983	3,057	131,167	269	30,636	6,859,295
1984	2,837	129,019	251	38,537	7,353,755
1985	2,034	86,925	295	33,018	7,615,431
1986	1,153	57,348	321	24,383	7,825,147
1987	792	47,607	292	24,667	7,938,709
1988	777	52,557	247	14,692	7,993,685
1989	698	53,411	317	28,301	7,701,270

	Property (Assessed) Values(d)					
Fiscal Year	Agriculture	Commercial/ Industrial	Personal/ Real	Utilities	Other**	Total(2)
1981	$ 1,148,841	$ 1,019,930	$ 11,076,029	$ 1,794,413	$ 832,758	$ 15,871,971
1982	1,170,436	1,513,659	9,556,177	2,663,227	1,048,981	15,952,480
1983	1,234,102	2,081,796	8,301,769	3,088,980	1,090,084	15,796,731
1984	1,260,872	2,188,062	8,683,164	3,529,623	1,070,373	16,732,094
1985	1,264,861	2,412,051	8,752,473	3,395,396	1,125,726	16,950,507
1986	2,324,395	5,420,997	15,037,897	3,901,322	1,006,305	27,690,916
1987	2,375,066	5,172,038	14,813,180	4,337,965	687,598	27,385,847
1988	2,435,526	5,178,163	13,863,293	3,910,515	819,548	26,207,045
1989	2,458,942	5,176,030	14,086,791	4,280,347	917,216	26,919,326
1990	2,498,949	4,863,281	14,644,470	3,696,089	368,329	26,071,118

N/A - Data not available

* 1980-1984: Information on publicly owned (contract awards) housing units was not available.
**Other property includes mining, coal and miscellaneous.

NOTE: (1) - Nontaxable property value information is not available.
(2) - The increase in Fiscal Year 1986 was primarily due to a reappraisal from 1978 values to 1982 values.
- Bank deposits are the aggregate of State Banks and Trust Companies, National Banks, Savings and Loans and Credit Unions.
- Prior to 1989 Credit Union balances reported were as of the previous December 31.

SOURCES: (a) - U.S. Department of Commerce - Bureau of the Census
(b) - Montana Department of Commerce - Building Codes Division
(c) - Montana Department of Commerce - State Banks and Trust Companies and National Banks
- Federal Home Loan Bank of Seattle - Savings and Loans
- Montana Credit Unions League - Credit Unions
(d) - Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
INCOME DATA
Last Ten Years

Total Personal Income
(Millions)

Year	Montana Amount	Montana % Increase	Rocky Mountain Region(1) Amount	Rocky Mountain Region(1) % Increase	United States Amount	United States % Increase
1980	$ 7,040		$ 63,097		$ 2,254,076	
1981	7,858	11.6	71,425	13.2	2,514,231	11.5
1982	8,118	3.3	76,356	6.9	2,663,432	5.9
1983	8,504	4.8	80,924	6.0	2,834,385	6.4
1984	8,922	4.9	86,932	7.4	3,101,163	9.4
1985	9,092	1.9	91,522	5.3	3,317,545	7.0
1986	9,588	5.5	95,051	3.9	3,519,364	6.1
1987	9,979	4.1	99,057	4.2	3,766,092	7.0
1988	10,382	4.0	104,486	5.5	4,053,282	7.6
1989 (2)	11,159	7.5	112,085	7.3	4,360,919	7.6
Average Annual Rate of Growth		5.29%		6.63%		7.61%

Per Capita Income

Year	Montana Amount	Montana % Increase	Rocky Mountain Region(1) Amount	Rocky Mountain Region(1) % Increase	United States Amount	United States % Increase
1980	$ 8,924		$ 9,568		$ 9,919	
1981	9,874	10.6	10,576	10.5	10,949	10.4
1982	10,084	2.1	11,028	4.3	11,482	4.9
1983	10,424	3.4	11,457	3.9	12,100	5.4
1984	10,836	4.0	12,162	6.2	13,116	8.4
1985	11,021	1.7	12,673	4.2	13,896	5.9
1986	11,726	6.4	13,098	3.4	14,597	5.0
1987	12,330	5.2	13,621	4.0	15,471	6.0
1988	12,896	4.6	14,355	5.4	16,491	6.6
1989 (2)	13,852	7.4	15,316	6.7	17,567	6.5
Average Annual Rate of Growth		5.04%		5.40%		6.57%

NOTE: (1) The Rocky Mountain Region includes Montana, Colorado, Idaho, Utah and Wyoming.

(2) The 1989 data is preliminary.

SOURCE: U.S. Department of Commerce
Census and Economic Information Center

STATE OF MONTANA
PUBLIC EDUCATION INSTITUTIONS
FALL ENROLLMENT (1)
Last Ten Years

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
TOTAL GRADES PRE-K-12(a)	155,073	153,435	152,401	153,646	154,412	154,072	153,327	152,207	152,191	151,149
MONTANA UNIVERSITY SYSTEM(b)										
University of Montana	8,283	8,226	8,458	8,431	8,265	8,186	8,017	7,552	7,977	8,587
Montana State University	10,338	10,675	10,691	10,789	10,353	10,104	9,671	9,287	9,371	9,543
Montana Tech **	1,531	1,791	2,048	2,090	1,880	1,659	1,573	1,582	1,546	1,499
Western Montana College **	825	820	859	882	880	854	928	828	954	877
Eastern Montana College	3,177	3,329	3,494	3,538	3,468	3,480	3,324	3,303	3,287	3,354
Northern Montana College	1,382	1,542	1,663	1,745	1,707	1,693	1,710	1,551	1,548	1,581
TOTAL UNIVERSITIES	25,536	26,383	27,213	27,475	26,553	25,976	25,223	24,103	24,683	25,441
VOCATIONAL TECHNICAL CENTERS(b)										
Billings Vo-Tech Center	521	565	490	400	448	489	446	398	356	334
Butte Vo-Tech Center	412	414	418	294	395	414	390	395	354	280
Great Falls Vo-Tech Center	530	547	540	423	428	391	416	473	525	503
Helena Vo-Tech Center	949	929	961	700	665	647	570	577	506	436
Missoula Vo-Tech Center	715	705	759	471	588	578	507	487	482	446
TOTAL VOCATIONAL TECHNICAL CENTERS	3,127	3,160	3,168	2,288	2,524	2,519	2,329	2,330	2,223	1,999

** Semester Calendar (Prior to 1982 WMC was on a quarter basis)

NOTE: (1) The University System is based on fiscal year full-time equivalent enrollment.
The Vocational Technical Centers' enrollment is based on total contact hours.

SOURCES: (a) Montana Office of Public Instruction
(b) Montana Commissioner of Higher Education

STATE OF MONTANA
DEMOGRAPHIC STATISTICS
Last Ten Years

Fiscal Year	Population (1)(a)	Per Capita Income (1)(a)	Public School Enrollment Pre-K-12 (2)(b)	Montana University System Enrollment (2)(b)	Average Montana Unemployment Rate (c)	Average U.S. Unemployment Rate (c)	Average Civilian Labor Force (c)	Average Total Employment(c)	Average Unemployment(c)
1981	796,000	$ 9,874	155,073	25,536	6.9 %	7.6 %	384,000	357,000	27,000
1982	805,000	10,084	153,435	26,383	8.6	9.7	392,000	358,000	34,000
1983	816,000	10,424	152,401	27,213	8.8	9.6	394,000	359,000	35,000
1984	824,000	10,836	153,646	27,475	7.4	7.5	406,000	376,000	30,000
1985	825,000	11,021	154,412	26,553	7.7	7.5	409,800	378,200	31,600
1986	819,000	11,726	154,072	25,976	8.5	7.3	402,600	368,500	34,100
1987	809,000	12,330	153,327	25,223	8.0	6.7	404,500	372,300	32,200
1988	805,000	12,896	152,207	24,103	8.1	5.8	404,420	371,620	32,800
1989	806,000	13,852	152,191	24,683	6.7	5.4	399,650	372,970	26,680
1990	N/A	N/A	151,149	25,441	5.5	5.3	408,025	385,608	22,430

N/A - Data not available

NOTES: (1) Based on calendar year.
(2) Based on academic year - includes public schools (pre-K-12) and State-owned universities and colleges.

SOURCES: (a) U.S. Department of Commerce - Bureau of Economic Analysis
(b) - Montana Office of Public Instruction - public schools
- Montana Commissioner of Higher Ecucation - universities and colleges
(c) Montana Department of Labor and Industry - Research Bureau

STATE OF MONTANA
EMPLOYMENT IN MONTANA INDUSTRIES (1)
(Thousands of Persons)
Last Ten Calendar Years

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Durable Goods	15.2	14.2	11.7	13.0	13.8	13.5	12.7	12.7	12.9	13.7
Non-Durable Goods	9.0	9.0	8.9	9.1	8.7	8.2	8.5	8.2	8.1	8.3
Mining	8.8	11.5	9.3	7.4	7.7	6.8	5.9	5.7	5.7	6.3
Contract Construction	14.5	13.3	13.4	13.3	12.5	11.3	10.3	8.8	8.6	9.7
Transportation	13.1	13.1	12.3	11.2	11.8	12.0	11.8	11.4	11.4	12.3
Communications/Utilities	9.3	9.5	9.7	9.2	9.0	8.6	8.6	8.1	8.2	7.7
Wholesale Trade	17.8	17.9	17.2	17.1	17.4	16.8	15.3	15.0	14.8	15.6
Retail Trade	54.5	55.0	54.7	56.5	58.5	58.8	57.2	57.6	57.9	62.0
Finance/Insurance/Real Estate	12.9	12.9	12.8	13.0	13.4	13.3	13.0	13.2	13.3	13.2
Medical/Other Health Services	18.2	19.4	20.4	20.9	21.0	21.3	21.9	23.1	23.1	24.7
Other Services	36.9	36.7	35.9	36.9	38.6	38.8	30.3	31.3	32.0	46.9
Federal Government	13.8	13.6	13.1	13.0	12.8	12.4	12.8	12.7	13.2	13.6
State Colleges/Universities	8.2	7.8	8.0	8.3	8.4	8.5	8.8	8.6	8.6	9.8
Other State Government	10.8	10.4	10.0	10.3	10.5	10.8	10.7	10.4	10.3	10.8
Local Education	23.1	22.5	21.4	21.8	21.8	22.0	22.9	22.8	22.8	22.7
Other Local Government	14.3	15.0	14.9	15.0	15.2	15.3	15.2	14.8	15.0	13.2
Total Non-Farm Wage/ Salary Jobs(2)	280.4	281.8	273.7	276.0	281.1	278.4	265.9	264.4	265.9	290.5

SOURCES: (1) Montana Department of Labor and Industry - Research and Analysis Bureau
(2) Establishment Data - a count of jobs by where people work

STATE OF MONTANA
MAJOR PRIVATE EMPLOYERS IN MONTANA*
(Listed in descending number of employees)

1. Montana Power Co. (utilities, energy)
2. Plum Creek Timber Co. (sawmills, forest products)
3. Hamilton Stores Inc. (retail)
4. Champion Intl. -Libby (sawmills, forest products)
5. Flint Engineering & Construction (oil & gas field services)
6. Pacific Hide & Fur Depot (recycling & retail)
7. A & S Tribal Industries (fabricated textiles & equipment)
8. Scheels Hardware & Sports Shop (retail)
9. Sletten Construction Co. (highway construction)
10. Ryans, Inc. (wholesale food distributor)

SOURCE: Montana Department of Commerce - Office of Research and Information Services
Wards Business Directory 1990

* The two largest Montana employers are public: the U.S. Government and Montana State Government

STATE OF MONTANA
(The Treasure State)
"Big Sky Country"
MISCELLANEOUS STATISTICS
June 30, 1990

(1) Date of statehood	November 8, 1889 - 41st state
(2) Form of government	Legislative-Executive-Judicial
(1) Land area - 4th largest state	145,392 square miles
Population density (Based on 1989 estimate)	5.54 persons per square mile
(3) Miles of paved public roads	16,400
(4) Higher Education	
State-owned Universities and Colleges	6
Vocational-Technical Centers	5
(5) Recreation:	
Number of State parks	42
Number of State monuments	18
National parks (Glacier and Yellowstone)	2
(6) State employees (full-time equivalent)	14,274

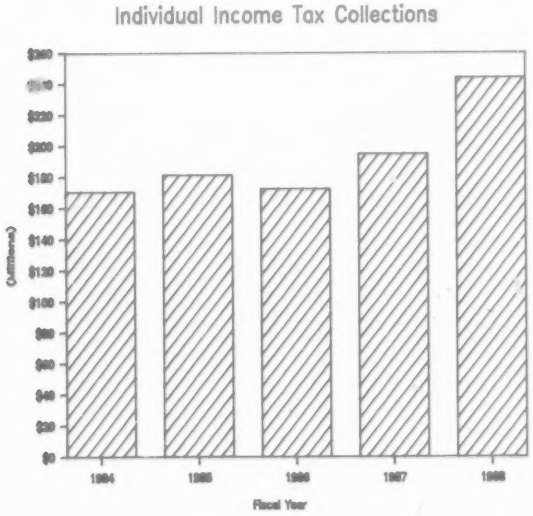
SOURCES: (1) Official Montana 1989-90 Highway Map
(2) Montana Code Annotated
(3) Montana Department of Highways
(4) Montana Commissioner of Higher Education
(5) Montana Department of Fish, Wildlife & Parks
(6) State of Montana Office of Budget and Program Planning

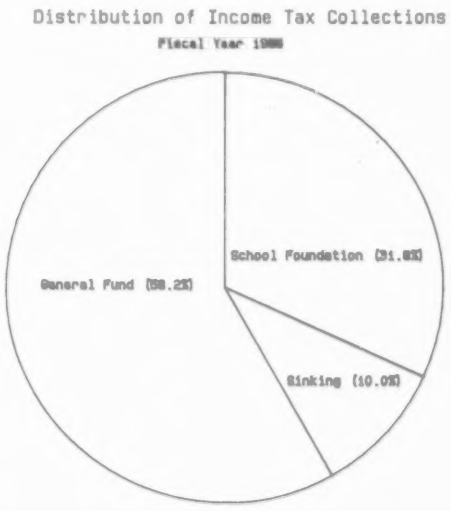
II. INCOME TAX

Individual income tax is collected at rates ranging from 2% to 11% of Montana taxable income. In addition, a 10% surtax was in effect for tax years 1987 and 1988. The income tax is Montana's largest tax source. It is distributed 58.2% to the state General Fund, 31.8% to the School Foundation Program, and 10% to the Sinking Fund for retirement of state bonds.

In many cases, employers who withhold wages for Federal tax purposes must withhold for Montana income tax. For calendar year 1986, wages were withheld on 274,292 returns.

Individuals, except farmers or ranchers, must make **declarations of estimated tax** for net income (from sources other than wages, salaries, bonuses, or other payments received for work) expected to equal or exceed income from wages, salaries, bonuses or other payments received for work. In calendar year 1986, 7,660 returns included estimates of tax payments.





Since 1981, Montana's income tax has been **indexed** to changes in the Consumer Price Index (CPI). The personal exemption, standard deduction, and tax brackets are adjusted annually in response to inflation. The effect of indexing on the income tax paid by an "average" individual and family is shown below.

FAMILY OF 4*

Tax Year	Gross Income**	Tax Under Indexation	Tax Without Indexation
1986	$ 33,270	$ 1,120	$ 1,359
1987	34,480	1,159	1,444

INDIVIDUAL***

Tax Year	Gross Income**	Indexation	Indexation
1986	$ 15,970	$ 627	$ 784
1987	16,550	649	833

* *Deductions assumed to be 30% of gross income.*

** *Gross income is assumed to grow at same rate as CPI.*

*** *Claiming standard deduction.*

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